



**COMMUNITY
FOUNDATION**
of Northern Nevada

COMMUNITY FOUNDATION OF NORTHERN NEVADA FEE SCHEDULE AND FUND POLICY

I. Purpose

The purpose of this Fee Schedule and Fund Policy Statement is to establish a schedule of fees for donor-advised funds, endowment funds, one-time gifts of real and personal property, and other services of the Community Foundation of Northern Nevada (“Community Foundation”). The policy also establishes minimum gift amounts and the criteria for each type of fund.

This policy statement shall be supplementary to any other specific agreements or policies which may be negotiated with donors in respect to particular gifts and programs.

Administrative fees help support the work of the Foundation. Fees shall be charged for all funds and services. The Board of Trustees and President shall have the authority to waive or modify fees. Fees shall vary based upon the services performed and the specific fund structure. A higher fee would normally be negotiated for gifts requiring increased administrative time, out of the ordinary costs and/or unusual grant requests.

For the purpose of internal documents and the Fund Accounting System, all Fund Names shall be limited to a maximum of 46 characters, including spaces. Fund Names in marketing pieces may be longer, but statements, etc., shall reflect the limited shorter fund name restriction.

II. Donor-advised Funds

- a. The minimum gift to establish a donor-advised fund is \$25,000. Funds are charged a fee based upon the following table, with a minimum of a \$400 annual fee:

Note: This is a bracketed fee schedule:

For the first \$1 million	1.5%
\$1.0 million to \$2.5 million	1.0%
\$2.5 million and over	0.75%

For example, for a fund of \$5.0 million, the fee would be 1.5% of the first million (\$15,000), plus 1% of the next \$1.5 million (\$15,000), plus .75% of the additional \$2.5 million (\$18,750) for a total annual fee of \$48,750.

- b. Donor-Advised Funds are required to maintain a minimum balance sufficient to cover administrative fees. The minimum balance shall be 3% of the balance of the fund or \$800, whichever is more.

This minimum balance will cover two years of administrative costs and reduce the future possibility of asking donors to make additional gifts to their funds to cover administrative fees should the investment of the monies fail to yield sufficient returns. Additionally, in the case of funds where multiple advisors are authorized to grant a predetermined portion of the fund balance, maintaining this minimum balance will ensure that each advisor has the opportunity to grant the full predetermined amount. Should donor advisors wish to terminate their fund the minimum balance may be granted as well, less fees earned at the time of termination.

III. Field of Interest & Designated Funds

Field of Interest Funds are restricted funds that are designated to benefit a specific sector of need and/or a specific organization. Due to these designations, they are not considered Donor-Advised Funds. Field of Interest Funds that are established to benefit a specific charitable organization are required to make all grant distributions as payable to that organization. The minimum gift to establish a Field of Interest fund is \$25,000. Funds are charged a fee based upon the following table, with a minimum of a \$400 annual fee:

For the first \$1 million	1.5%
\$1.0 million to \$2.5 million	1.0%
\$2.5 million and over	0.75%

IV. Donor-Advised Endowed Funds

The minimum gift to establish an endowed fund is \$50,000; however, a donor may have a period of time, not to exceed five years, to reach this amount. During the time the fund balance is less than \$50,000, no grant making will be made from the fund. Funds are charged a fee based upon the following table.

For the first \$1 million	1.5%
\$1.0 million to \$2.5 million	1.0%
\$2.5 million and over	0.75%

V. Designated Endowed Funds

Designated Funds are restricted funds that are designated to benefit specific organizations. Due to these designations, they are not considered Donor-Advised Funds. Designated Funds that are established to benefit a specific charitable organization are required to make all grant distributions as payable to that organization. The minimum gift to establish a Designated Endowed fund is \$50,000.

For the first \$2.5 million	1.0%
\$2.5 million and over	0.75%

VI. Endowed Scholarship Funds

The minimum gift to establish an endowed scholarship fund is \$50,000; however a donor may have a period of time, not to exceed five years, to reach this amount. During the time the fund balance is less than \$50,000, no grant making will be made from the fund. Funds are charged an administrative fee based upon the following schedule, with a minimum fee of \$400 annually. In addition, the fund may reimburse the Foundation for administrative and out-of-pocket expenses associated with the specific fund.

For the first \$1 million	1.5%
\$1.0 million to \$2.5 million	1.0%
\$2.5 million and over	0.75%

VII. Pass-through Grants

Scholarships

Scholarship funds require significant staff time by Donor Relations, Marketing & Communications, and Accounting staff. Because of the work involved in administering a scholarship fund, the Community Foundation has adopted a fee schedule that considers this time commitment.

For funds established with a minimum gift of \$25,000, a fee of 5% of the gift amount shall be taken upon the deposit of any gift made to the fund.
Minimum scholarship award amount of \$1,000

For funds established with a minimum gift of \$100,000, a fee of 2.5% of the gift amount shall be taken upon the deposit of the of any gift made to the fund.
Minimum scholarship award amount of \$5,000

Designated Gifts

Designated gifts may come to the Community Foundation for a variety of reasons that may include: a donor wishing to use the Community Foundation for due diligence or to remain anonymous; gifts are given for a single agency or organization and/or for a specific purpose; gifts are given with the intention of being distributed within the year the gift was given; gifts are given without association to a specific fund already held at the Foundation.

For such designated gifts, a fee of 2% or \$400, whichever is more, will be deducted from the first gift and 2% from any gifts thereafter.

VIII. Supporting Organization

The minimum gift to establish a supporting organization is \$1 million. The fee for each supporting organization shall be determined by the Board of Trustees of the Community Foundation in negotiations with the donor, but shall be set between 50 basis points and 1.5%, depending on the administrative services and management services the Board anticipates will be provided by the Community Foundation to the supporting organization.

IX. Gifts of Real and Personal Property

The Community Foundation shall charge a one-time fee for the receipt of certain gifts of real property and personal property. The fee shall be determined by the Board of Trustees, in negotiations with the donor but shall not exceed the fee calculated under the following schedule:

Real Estate – 1% of the sale price of the first \$500,000, plus 0.5% of any sale price exceeding \$500,000. In addition, all transactional costs reimbursement for transactional work and expenses shall be paid from the proceeds of the sale, and shall be charged in addition to the administrative fee.

Personal Property – A minimum fee of \$500 shall apply as an administrative fee, with a maximum of \$5,000, depending on the complexity of the disposition of the gift. All transactional costs shall be paid from the proceeds of the sale, and shall be charged in addition to the administrative fee.

X. Charitable Remainder (Uni- or Annuity) Trust, and Charitable Lead Trust

The minimum gift to establish a charitable trust is \$100,000. No set-up fee shall be charged, and the Board of Trustees in negotiations with the donor shall determine the administrative fee to be paid annually to the Community Foundation, with such fee depending on the designation of charitable beneficiary, trustee, investment manager, and other considerations. The management fee shall range from a minimum of zero to a maximum of 1.5%

XI. Gift Annuity

The minimum gift to establish an annuity is \$25,000 and the maximum is \$100,000, although the Board of Trustees may provide for exceptions. Gift annuities must be designated by the donor so the residuum will become part of a permanent endowment at the Community Foundation. The administrative fee shall not exceed a maximum of 1.5%, with a \$250 annual minimum.

XII. Donor-Advised Funds (Endowed and Non-Endowed) and Field of Interest Funds that Establish New Investment Relationships

The Community Foundation may establish a new investment relationship with a new fund established with a gift of \$500,000 or more. When such a fund is established, the investment management fees charged by the investment manager shall be in addition to the administrative fees charged by the Foundation. The following fee schedule will apply for Community Foundation administrative fees, with a minimum of \$400 annually:

For the first \$1 million	1.0%
\$1.0 million to \$2.5 million	0.8%
\$2.5 million and over	0.6%

XIII. Giving Circle Funds

The administrative fee for such funds shall be \$400 or 1.5% annually, whichever is more. The \$400 annual minimum fee is charged at the time the fund is established and annually thereafter if the fund is ongoing. The minimum individual contribution is \$500, and minimum fund size is \$25,000. At the discretion of the President, the Community Foundation may provide facilitation or meeting hosting services at additional cost.

XIV. Insurance Policies

The fee shall be waived for a gift of life insurance to the Community Foundation, or if the Community Foundation buys a life insurance policy, whereby the donor advises the foundation that the policy and any benefit of the policy is to be held by the Community Foundation in an endowed fund. The fee for a policy whereby the donor advises the foundation that any of the benefit of the policy shall be distributed to a qualified charitable organization other than the foundation, shall be 2% of the cash value at the time the policy is established, and 2% of any future gifts received to help maintain the policy.

XV. Small balance Fund closure and write-off Policy

A Small Balance Fund is a fund with a balance of \$1,000.00 or less remaining after the fund holder has been allowed an opportunity to review at least one preceding quarter's fund statement.

- a. **PURPOSE:** To ensure that the cost of resources in both time and money do not exceed the beneficial value of the amount that would have been realized had the account been distributed in full, the Community Foundation of Northern Nevada shall write off fund accounts balances of \$1,000.00 or less. Such funds shall then be deemed closed. The written off fund balance and any accrued earnings shall be credited to administrative fee income in the operating fund.
- b. **PROCEDURE:** Account balances of \$1,000.00 or less will be identified at the end of each quarter. Fund advisors to the identified fund shall be notified and given the opportunity to 1) recommend distribution to a charity or transfer to another fund, or 2) make an additional gift to the fund to bring the fund back up to the required minimum per the Fee and Fund Policy. If the Community Foundation does not receive a recommendation on a transfer of the fund assets or an additional gift to the fund, the write off of the balance will take place during the subsequent quarter.