



FOR SOUTH CENTRAL NEW YORK

Types of Funds

- **Donor Advised:** Donor-directed, supports charities of choice
- **Field of Interest:** Supports specific interests or causes
- **Designated:** Supports designated charities, regions, other
- **Agency:** Supports a single, designated nonprofit
- **Scholarship:** Grants to educational institutions for students
- **The Community Fund:** General unrestricted

All funds established at the Community Foundation are either endowed or unendowed funds.

An **endowed fund** is a permanent fund designed to issue grants per the donor's original intent in perpetuity. The minimum contribution to establish such a fund is \$25,000. Donors may take up to four years to reach the \$25,000 minimum.

Unendowed funds are non-permanent funds which donors establish for a variety of reasons, depending on the type of fund. The minimum to establish an unendowed fund is \$10,000 and donors may take up to two years to reach this level.

With the exception of The Community Fund, all types of funds at the Community Foundation (Donor Advised, Field of Interest, Designated, Scholarship and Agency funds) may be established as either endowed or unendowed funds.

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Donor Advised Funds: Donor Advised funds allow individuals, families, businesses or other entities to establish a fund where they may periodically direct that grants be issued to the nonprofits of their choice. (Please note that such directives are legally considered to be 'recommendations' of the donors; by law, the Community Foundation's Board of Directors must approve all such recommendations.)

Field of Interest Funds: Field of Interest funds allow a donor or group of donors to establish a fund that addresses issues of specific interest to them—the environment, health or women's issues, for example. (Please note: if the donor wishes to choose on an ongoing basis the agencies to receive grants from the fund they establish they should consider establishing a Donor Advised fund.)

Designated Funds: Designated funds, whether endowed or unendowed, are established by donors to achieve a designated purpose among a designated population. For example, such funds might be set up to make annual or periodic grants to a list of charities pre-determined by the original donors. They could also be established to issue grants to nonprofits in a specific geographic area, a county, school district, or municipality. Unlike a Donor Advised fund, however, the parameters for grantmaking for the fund are established through the fund agreement at the time the fund is established. Distributions are often determined by an advisory committee or if the donor(s) so chooses, their involvement can be limited and the Foundation then makes distributions based on the fund agreement and the wishes of the donor.

Agency Funds: Agency funds are a type of *Designated Fund*, but instead of making grants to a pre-determined list of *multiple* nonprofit organizations, their purpose is to support *one* particular nonprofit. Agency funds, both endowed and unendowed, may be established by individual donors or families, by another organization, or by the nonprofit itself. They are often established to house a nonprofit organization's endowment, thereby saving the organization the considerable expense of having to pay an investment firm to manage it for them.

Scholarship Funds: Scholarship funds are established by donors – individuals, families, businesses, schools, other foundations – as a way to support students by assisting them with the costs of their education.

The Community Fund: is the Community Foundation's unrestricted general fund for the benefit of the community. It supports a vital component of the Foundation's mission: responding to pressing needs in our communities in a broad-based, flexible, yet timely way. It consists of generous and thoughtful gifts of all sizes, from one dollar to hundreds of thousands of dollars. Grants from the Community Fund are awarded in a competitive grants process in which nonprofits from throughout our five-county service area submit proposals for projects per grant criteria established annually by the Foundation's Board of Directors.