Building on strength.
By choosing to establish a nonprofit fund at The Community Foundation of Western North Carolina, you are helping to inspire philanthropy and mobilize resources to enrich lives and communities in Western North Carolina. You also gain access to world-class investment services and receive support from an organization whose only business is philanthropy.

The Community Foundation is honored that more than 130 of our region’s nonprofit organizations and civic clubs have chosen to establish funds with us, including MANNA FoodBank, Pisgah Legal Services, Haywood Community College Foundation, North Carolina Outward Bound School and the Friends of Great Smoky Mountains National Park. We strive to uphold the highest standards of stewardship for each and every one.

**CUSTOM OPTIONS**
Create the fund that best meets your organization’s needs and fits existing parameters of your long-term assets. All funds require an initial minimum permanent contribution of $25,000, held for the organization’s benefit.

- **An Organization Endowment** is a permanent fund that generates consistent investment income and which can be drawn down in set annual payments to the organization or reinvested in the fund to grow over time. The permanence of an endowment fund is both appealing and reassuring to donors and nonprofit boards of directors who understand the value of a dedicated source of income to support the organization they love.

- **An Organization Endowment with Withdrawal Option** allows the organization to request a principal withdrawal. The request must be approved by ¾ of the organization’s board and CFWNC’s Board, ensuring thorough review of the decision to spend these assets.

- **An Organization Fund** provides the opportunity to save non-endowed, medium-term or reserve assets in a professionally-managed fund. Assets can be drawn down or reinvested, according to the organization’s needs. It’s a flexible, simple way for nonprofits to build funds for a project or future operational needs.
INVESTMENT EXPERTISE
CFWNC pools assets for investment, creating access to opportunities and expertise not available to smaller investors. CFWNC’s fiduciary oversight includes a sophisticated investment and spending policy, a diversified investment portfolio, professional investment managers, independent investment counsel, quarterly performance monitoring and external audits.

NETWORKING AND PROFESSIONAL DEVELOPMENT
CFWNC sponsors quarterly workshops for nonprofit board and staff members. Recent topics have included investment management, prospect research, donor cultivation and charitable gift annuities. Meetings always include time for networking with regional nonprofit professionals.

INCREASED DONOR CONFIDENCE
Nonprofit and civic organizations choose CFWNC to hold their charitable funds, and hundreds of people in our region have established their own charitable funds with us. CFWNC has a reputation for careful stewardship, knowledgeable investment management and comprehensive philanthropic services. Our history and mission help reassure prospective donors.

PLANNED GIVING SUPPORT
Upon request, CFWNC provides technical assistance for gifts to your organization’s fund. We have experience converting complex assets such as life insurance, closely-held stock and real estate into charitable contributions, allowing your donors to take advantage of innovative and tax-savvy ways of giving. This requires no upfront investment, additional staff training or organizational liability for your organization.

We can help your donors with:

- **Bequests or gifts using a beneficiary designation**
  An easy and appropriate way for most donors to provide support.

- **Charitable gift annuities**
  These gifts pay an annuity to the donor during their lifetime and create an endowed gift at their death.

- **Charitable remainder trusts**
  A CRT provides income to your donor and a gift at the end of the trust’s term. CFWNC can act as trustee.
<table>
<thead>
<tr>
<th>Description</th>
<th>Organization Endowment</th>
<th>Organization Endowment with Withdrawal Option</th>
<th>Organization Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>A fund designed to protect long-term or endowed assets.</td>
<td>A fund designed with the intention to protect long-term assets, with flexibility if something unforeseen occurs.</td>
<td>A fund for mid-term or long-term assets, with ability to withdraw principal at any time.</td>
</tr>
<tr>
<td>Minimum contribution to establish</td>
<td>$25,000; no minimum for additions to the fund.</td>
<td>$25,000; no minimum for additions to the fund.</td>
<td>$25,000; no minimum for additions to the fund.</td>
</tr>
<tr>
<td>Minimum permanent fund balance</td>
<td>Entire fund balance</td>
<td>$25,000</td>
<td>$25,000</td>
</tr>
<tr>
<td>Administrative fee</td>
<td>¾ of 1% annually, for balances up to $1 million*</td>
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</tr>
<tr>
<td>Investment fees</td>
<td>Investment costs are netted from investment results. These costs, ranging from 20 to 80 basis points, vary based on investment portfolio and reflect professional investment management, consultant and custody services.</td>
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</tr>
<tr>
<td>Spending policy</td>
<td>4.5% of fund’s 16-quarter average market value is used to calculate annual spendable income.</td>
<td>4.5% of fund’s 16-quarter average market value is used to calculate annual spendable income.</td>
<td>Fund balance exceeding $25,000 is available for distribution.</td>
</tr>
<tr>
<td>Distributions</td>
<td>Made annually in July, at organization’s request. Spendable income can be rolled over and remain invested for use in future years.</td>
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<td>Requests for distribution may be made by an authorized organization representative at any time.</td>
</tr>
<tr>
<td>Withdrawal of principal</td>
<td>Not available.</td>
<td>Withdrawals in excess of calculated spendable income require approval of the organization and CFWNC boards.</td>
<td>Fund balance exceeding $25,000 available for distribution.</td>
</tr>
<tr>
<td>Services for all funds</td>
<td>• Professional investment management  • Planned giving assistance  • Fund administration  • Quarterly fund statements  • Presentations to board, staff, donors upon request  • Online access to fund activity and statements  • UPMIFA and FAS136 compliance</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Graduated scale for higher balances
The North Carolina Outward Bound School (NCOBS) recognized the importance of honoring the needs of their donors and building their endowment, and turned to CFWNC. “The Foundation does an incredible job managing our assets,” said Whitney Montgomery, NCOBS Executive Director. “With a donor base of over 100,000 alumni from all over the world, NCOBS yields substantial returns on our investment by partnering with The Community Foundation.”

Philanthropy begins with connection—to a person, a cause, an organization and a set of values. “We engage with The Community Foundation because we understand that our collective energy, sense of purpose and effective investments support our progress and the wider community,” said Montgomery.

Working with CFWNC enables nonprofits to access institutional-caliber strategies in a cost-effective manner and complements their development efforts with a full range of charitable products. Nonprofits also gain access to layers of supervision, diversity of investments, benchmarks and standards that an independent portfolio might not command on its own.

“NCOBS is grateful for the trusted relationship we share with The Community Foundation.”

Whitney Montgomery, Executive Director
North Carolina Outward Bound School

Quick Facts

- $25,000 minimum to establish a fund
- Three options for access to principal
- ¾ of 1% annual administrative fee
- For most funds, spendable income calculated at 4.5% of fund’s 16-quarter average market value