



Comparison of Nonprofit Funds

	Nonprofit Endowment Fund (formerly known as Agency Fund)	Nonprofit Reserve Fund (New, 2013)
Description:	A fund designed for nonprofit organizations that want to protect medium to long-term assets (typically endowment or quasi-endowment) while receiving relatively even annual distributions, and that see value in having the Foundation serve as a third party to evaluate and approve requests for any fund distributions in excess of the annual spending policy calculation.	A fund designed for nonprofit organizations that want to protect medium to long-term assets (typically endowment or quasi-endowment) while receiving relatively even annual distributions, but that also desire the flexibility of access to the full balance of the fund.
Ownership of Assets in the Fund:	Unlike a traditional investment institution, a community foundation cannot manage assets it does not own. Therefore, the fund's establishing assets and all subsequent additions to the fund become the property of the Vermont Community Foundation.	Same as Nonprofit Endowment Fund.
Minimum Establishing Contribution Level:	\$10,000 to establish the fund; no gift minimum thereafter.	Same as Nonprofit Endowment Fund.
Supporting Fees:	0.80% of the fund's market value annually. The minimum fee is \$200. The minimum fee will be assessed to funds with balances below \$25,000.	1.0% of the fund's market value annually. The minimum fee is \$250. The minimum fee will be assessed to funds with balances below \$25,000.

<p>Investment Fees:</p>	<p>The Foundation incurs third-party investment related costs that are netted out of investment results before fund balances are reported to the fundholder. These costs generally range from 0.80% to 1.00% for the Socially Responsive and Primary Investment Pools. The cost for the Mid-Term Pool is approximately 0.30%. These costs reflect professional investment management and consultant services and custody of the Foundation’s assets. The costs vary by investment pool based on the underlying investment managers.</p>	<p>Same as Nonprofit Endowment Fund.</p>
<p>Establishing assets and subsequent additions to the nonprofit fund:</p>	<ul style="list-style-type: none"> • Cash or checks • Publicly-traded securities <p>Note: establishing assets and additions to the fund must be the property of the nonprofit before transfer to the fund</p>	<p>Same as Nonprofit Endowment Fund.</p>
<p>Annual Spending Policy Amount:</p>	<p>Currently 5% of the fund’s 36-month rolling average balance is used to calculate the fund’s annual distribution amount. The spending policy for each investment pool is reviewed and set annually by the Foundation’s Investment Committee.</p>	<p>Same as Nonprofit Endowment Fund.</p>
<p>How are regular annual distributions from the fund made?</p>	<p>The annual spending policy calculation amount is represented in the year-end fund statement (produced in early February). If you have chosen “Automatic Distribution” for the fund, the distribution check will be mailed to you at the end of February. Your organization may choose to put this amount on “Automatic Reinvest.” Your organization may also choose a manual option and request whether to distribute or reinvest the amount. You may update these options at any time.</p>	<p>Same as Nonprofit Endowment Fund.</p>

<p>Access to the fund balance beyond the annual spending policy amount:</p>	<p>Distributions beyond the annual spending policy calculation amount can be made in circumstances of financial emergency or extreme need, upon submission of a resolution and request of the organization’s board and at the discretion of the Foundation’s board and staff.</p> <p>At any time, an organization may request distribution amounts that were reinvested in past years without the above mentioned criteria or review process. Distributions are typically made within two weeks of the approval for the distribution.</p>	<p>Using a distribution request form signed by both the Executive Director and an officer of the board, requests for distributions (minimum \$250) may be made up to the full balance of the fund. The distributions are made at the discretion of the Foundation, and are subject to a brief review process by staff to ensure that the distribution will be used according the purpose of the fund.</p>
<p>Minimum distribution that can be requested by the organization:</p>	<p>\$250</p>	<p>Same as Nonprofit Endowment Fund.</p>
<p>Services included with your nonprofit fund:</p>	<ul style="list-style-type: none"> • Professional investment management • Planned giving and endowment planning assistance • Administration of additions to and distributions from the fund • Quarterly fund statements • Donor Central – the ability to view your fund(s) online 	<p>Same as Nonprofit Endowment Fund.</p>