

Agency Funds

ENDOWING LONG-TERM SUSTAINABILITY

An agency fund allows a nonprofit organization to focus on its mission rather than spending time to identify and supervise investment managers. Additionally, it assists in creating long-term financial sustainability for the nonprofit through gift planning and endowment building.

Nonprofit agency funds:

- Are permanent funds. The organization cannot take the money back.
- Are invested in the Community Foundation's investment pool.
- Do not operate like bank accounts. Distributions are made once a year, and if the organization decides not to receive the disbursement, the money is put back into the fund and reinvested.

The Community Foundation helps agencies investing their endowment-type assets through nonprofit agency funds. The Foundation holds the assets of a nonprofit organization and distributes a fixed percentage - typically 5% - each year.

Other reasons for an organization to use a nonprofit agency fund held at the Foundation:



The fund serves as a gatekeeper ensuring that endowment-type funds function as true endowments.



A non-cash gift, such as a piece of property, can be a welcome contribution for a nonprofit organization. But a small nonprofit organization might not be equipped to accept such a gift. That's where we can help.



The nonprofit's board cannot invade the principal during difficult economic times, except in rare circumstances.

If a nonprofit agency fund is not right for your organization, then consider our Nonprofit Advantage Fund.

Read more at cfgreateratlanta.org or contact Christy Butler Eckoff, J.D., LL.M., director, gift planning at ceckoff@cfgreateratlanta.org or 404.588.3183.