

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.

For more information, please visit cfgreateratlanta.org or call 404.688.5525 and ask to speak with a member of our philanthropy team.