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.

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.

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.

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