# CFTC Logo MAY 2011.tif

# Designated Agency Funds

# for Nonprofit Organizations

# Benefits to Working with the Community Foundation

Nonprofit organizations have a number of choices when looking to secure professional management of their endowment fund. The Community Foundation is one such option offering investment expertise, competitive fees, community knowledge and excellent customer service. The Foundation exists to manage endowments within Tompkins County and we are uniquely positioned to provide these core endowment management services to area organizations.

Because the endowment funds we manage are commingled for investment and administrative purposes, we are able to achieve lower management costs than a smaller endowment fund would be able to on its own. This means that more money ultimately goes to charity. We also provide opportunities for a charity’s supporters to contribute directly to the endowment fund, and the Foundation takes care of the necessary acknowledgement letters for the donor’s tax purposes.

The Foundation also provides a great deal of added-value that our for-profit investment competitors cannot; as a local community foundation, we have a local perspective and we have a superior knowledge of Tompkins County’s not-for-profit sector. We are familiar with the specific operational needs of nonprofit organizations and are available to provide guidance in other areas beyond the scope of endowment management. For example, the Community Foundation can provide various levels of flexibility as we assist agencies in managing their charitable distributions. The Foundation can also provide access to the knowledge and expertise of our fundraising and grant making program staff. These individuals can assist in the development of fundraising strategies and provide technical expertise in the area of charitable planned giving as an agency works to increase the level of its own endowment.

Finally, it is important to realize that when the Foundation administers an agency endowment, the fees are not driven by a commercial for profit need to pay shareholders of a corporation. These fees are used for three very specific purposes: 1.) to promote the importance of charitable giving in our own local community, 2.) to raise charitable capital for use in Tompkins County, and to 3.) manage the Foundation’s grant making and community leadership programs. Each of these activities assists the local nonprofit sector, improves the quality of life for residents in Tompkins County and cannot be accomplished by our competitors. In short, when a nonprofit organization, school or faith community partners with the Community Foundation for endowment management services, they are supporting our entire community, and quite possibly, mission activities similar to their own.