

Introducing New Options for Irish Charities

An Organisation Endowment Fund for Your Charity



Establishing an Organisation Endowment Fund at The Community Foundation is a great option to help your organisation grow now.... and forever. An endowment fund is defined as a sum of money that earns interest year-on-year. This income provides a continuing source of income that is disbursed on a designated basis to your organisation.

How it works

- Your charity sets up a fund at The Community Foundation - with a suggested starting amount of €25,000.
- We set up a special fund – designated in your charity's name.
- The instrument of transfer used to establish an organisation endowment transfers legal ownership over the assets to The Community Foundation for Ireland.
- Your charity benefits from a reduced investment fee as funds are pooled in a diversified portfolio with other charity and donor funds.
- Endowment funds need clear, engaged management. The Community Foundation provides the governance and the peace of mind required for your board and your donors.
- Your charity can promote this fund as an option for loyal donors.
- You can also promote it as a wonderful option for people to include an endowment for the benefit of your charity in their will. Suggested text is available from The Community Foundation.
- Any income generated is designated to your charity as per a written agreement between The Community Foundation and your charity.
- We handle all the investment and administrative details and issue funds to charities twice a year.
- Endowments are invested and should grow over time. The Community Foundation for Ireland currently uses AIBIM.
- The Community Foundation has a dedicated governance sub-committee of the board. Member details, investment criteria and previous returns also available on request.

A better approach

Example 1

A committed donor wants to bequeath an amount for the benefit of your charity by means of an endowment fund. He is not certain that the organisation has the capacity or capability to manage it. Instead he sets up a designated fund at The Community Foundation, with all income earmarked for his charity of choice.

Example 2

A charity decides to establish a small endowment fund from existing funds. The Community Foundation's economies of scale provide your charity the benefits of a diverse investment portfolio and low investment fees that typically come only with very large funds. We handle investment management and the administrative responsibilities related to endowment so that your organisation's staff and volunteer hours are concentrated on fulfilling your mission.

Contact your local community foundation today.
visit www.communityfoundation.ie



Ten reasons people choose to give through community foundations

one

We are a **local organisation** with deep roots in the community.

two

Our professional program staff has **broad expertise** regarding community issues and needs.

three

We provide highly **personalised service** tailored to each individual's charitable and financial interests.

four

Our funds help people **invest in the causes** they care about most.

five

We accept a wide **variety of assets**, and can facilitate even the most complex forms of giving.

six

We partner with **professional advisors** to create highly effective approaches to charitable giving.

seven

We offer maximum **tax advantage** under Irish legislation.

eight

We **multiply the impact** of gifts by pooling them with other gifts and grants.

nine

We build **endowment funds** that benefit the community forever and help create personal legacies.

ten

We are a **community leader**, convening agencies and coordinating resources to create positive change.

More benefits

1. The decision to establish an endowment fund can be made quickly.
2. If you had an endowment fund that covered some or all of your annual running costs, your board could commit to a definite activity level and plan ahead accordingly.
3. You could genuinely tell prospective donors that for additional work to be undertaken by the charity, that all their money will be used on the projects, because your administrative overhead was already covered.
4. You can offer the maximum tax reliefs available to donors
5. The Community Foundation handles investment management and oversight; all accounting and financial reporting; and an annual audit.
6. All gifts to your fund are restricted for your use only. While pooled for investment purposes, your endowment will not be used by The Community Foundation.
7. You may choose to reinvest all or part of the income in years when it may not be needed, so your endowment can grow further.
8. Your endowment fund will receive exposure in the Community Foundation's annual report and in other newsletters to professional advisors and wealthy individuals
9. You will receive access to planned giving resources designed to assist your development efforts.

Fees and Investment

Initial Contribution: €25,000 (minimum)
Fees: 1% administration + c.0.3% investment management (as of 2009). (A sliding scale for CFI admin fee may apply for larger funds)
Investment: Assets are pooled and invested in a diversified portfolio (currently through AIBIM).



32 Lower O'Connell Street, Dublin 1
 Tel: 01 874 7354 Fax: 01 874 7637
 Email: info@foundation.ie www.communityfoundation.ie

Charity No. CHY 13967

Connecting people who care with cause that matter