

Frequently Asked Questions

Opening a Fund

1. *How do I open a fund?*

Creating a fund is simple and fast. You can initiate the process by contacting York County Community Foundation. You may claim a charitable deduction for the full amount of the gift (for outright gifts) in the year of each contribution. You can make additional contributions to the fund in any amount at any time. Others can also make contributions to your fund, perhaps to mark a special occasion or support a special project that interests you.

To learn more about establishing a fund at the Community Foundation, contact us by email at info@yccf.org or call 717.848.3733.

2. *Who can make grants?*

If you establish a donor advised fund, then you can advise throughout your lifetime, or until you resign. However, alternatively, you may choose to designate your spouse or partner, your child, or another member of your family or a friend as an advisor to your fund.

3. *Can my kids make grants too?*

Yes, you can do this by naming them as successor advisors to the fund. Usually, one generation is named as successor advisors. However, call us to discuss your particular family situation. If you do not name a successor, or after your successors' death or resignation, the Community Foundation's board of directors will make these grants from the fund to a field-of interest-you have named, or to meet a broad range of community needs.

4. *What can I name my fund?*

Most Donors use their family name for the fund, which appears in Community Foundation publications, such as our annual report. Or, you may choose a name that is representative of the types of programs you want to support. Or, you may choose a name for the fund that guarantees your anonymity.

5. *Is there a minimum size for a fund?*

The minimum to open a donor advised, field of interest, designated, unrestricted or Heritage fund is \$25,000. The minimum to open an Acorn fund is \$1,000.

6. *What kind of assets can I contribute?*

The Community Foundation can accept many types of assets including cash, publicly traded securities, closely held and restricted stock, real estate, and life insurance policies.

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7. What are the costs involved in establishing a fund?

Establishing a fund at the Community Foundation is free of charge. The Community Foundation files the federal and state tax returns, provides an independent audit, processes disbursements, mails checks to recipients and grant reports to the donor, administers and invests the assets of the fund, and issues regular financial reports on the status of the fund to the donor.

8. Is the fund I establish permanent?

Yes, all of our funds have a permanent endowment component ensuring your charitable gift will endure forever.

9. Can other people contribute to the fund I establish?

Yes.

10. What are endowments?

Endowments are permanent funds established to ensure the support of philanthropic intentions in perpetuity. In essence, endowments are gifts that keep growing and giving. Assets are invested in a way that allows them to grow, and only a portion of the income from the fund is made available for grants each year. This is based on a "spending rule" calculation that distributes 4.5% of an average market value over a twelve quarter period. Based on historic stock and bond market performance, this should allow the endowment fund to distribute grants in inflation-adjusted amounts in perpetuity.

Once You Establish a Fund

1. What should I do with my Fund Agreement?

You will receive one executed original for your records. Please contact the Community Foundation if you have any questions regarding the Fund Agreement.

2. Will I be getting any other documents?

Along with your executed Fund Agreement, you will be sent a welcome letter and invitation to our new fund orientation which is held several times a year. This session provides you with the basics about your fund and the Community Foundation and helps you to maximize your fund's impact.

3. Will my grant requests always be honored?

You may recommend grants to qualified nonprofit groups and government entities. To comply with applicable IRS regulations York County Community Foundation's board of trustees retains the final responsibility for approving distributions from funds. Grants are generally made to organizations recognized under Section 501(c)(3) of the Internal Revenue Code.

4. Are my grant recommendations limited to a certain amount?

Donor advised funds are extremely flexible. Depending on how you set up the fund, you can recommend grants based on an overall percentage of the fund's fair market value (applying a spending rule) or a
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larger proportion of the fund's assets. Grant recommendations may be in any amount.

5. Does the Foundation have a spending rule, and if so, how does that apply to the grants I recommend?

Yes, YCCF has a spending rule for funds established as endowments. The spending rule, a formula that determines the amount of money available for grantmaking from endowments, is based on a designated percentage of the fund's fair market value. The Foundation's current spending policy distributes 4.5% of an average 12-quarter market value annually. Based on historic stock and bond market performance, this should allow the endowment fund to distribute grants in inflation-adjusted amounts in perpetuity. Donor advised funds may expend their fund beyond spending policy as long as the \$25,000 endowed fund level is maintained.

6. What if I don't know who to make grants to or want to know who is doing the best job in my area of interest?

We have excellent staff available to help you. For example, we can help you learn about nonprofit groups that work in your areas of interest or do customized research on issues you're interested in. Please [email](#) Jane Conover or call 717.848.3733.

7. Can I get a refund of a gift made to the Foundation?

All contributions, once accepted by the board of trustees, represent an irrevocable contribution to York County Community Foundation and are not refundable.

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