

## Types of Funds



The Community Foundation of Northwest Georgia provides a variety of funds through which donors can support their charitable goals or help community organizations. The funds vary. Some allow the donor or their designee to recommend grants made from the fund, while others permit the Community Foundation of Northwest Georgia to make grants from the fund in accordance with instructions or guidelines set forth by the donor.

A donor can also establish a fund that benefits specific charitable organizations or award scholarships to students. The Community Foundation of Northwest Georgia strives to provide donors with simple, effective and *flexible* alternatives for charitable giving.

- **Donor Advised Funds** - serves the needs of donors having a long-term distribution plan with the option of investment growth and the flexibility to eventually distribute the entire gift for charitable purposes.
- **Charitable Organization Endowment Funds** – an easy way for charitable organizations to have an endowment and for donors to support the organization.
- **Endowed Scholarship Funds** - funds which provide tuition assistance or awards to students based on financial need, competition or other specific criteria.
- **Charitable Remainder Trusts (CRT or CRAT)** – trusts that can provide a specific and reliable income to a donor during their lives, with the remaining funds being distributed to the charity or charities of their choice when the trust terminates.
- **Charitable Lead Trusts (CLT or CLAT)** – trusts that can provide annual distributions to a charity or other qualified recipient like a church during a specified period of time, with the remaining assets transferring to you or your heirs, often yielding significant transfer-tax savings.
- **Field of Interest Funds** - funds which allow donors to target the benefit of the fund to a particular type of charitable need. The Community Foundation Trustees and staff administer the fund according to the donor's wishes.
- **Endowments Serving the Region and the Communities of Northwest Georgia** - gifts made to this fund are unrestricted and administered by the Community Foundation of Northwest Georgia or local Affiliate Fund Trustees to meet the changing needs of the community. They provide the greatest benefit to the community because of their flexibility to address current and future issues and opportunities.

## Donor Advised Funds

A Donor Advised Fund at the Community Foundation of Northwest Georgia is the easiest and simplest way for an individual, family or even a corporation to create a fund that supports their charitable or civic interests and can be created with a minimum of \$5,000.

The Donor Advised Fund becomes part of the investment pool of the Community Foundation of Northwest Georgia and always carries the name of the individual donor or group which started the fund. Each year grants can be made from the fund to support qualified charitable or religious organizations anywhere. The donor or advisors named by the donor recommends grants to specific organizations from the fund.

The Donor Advised Fund receives the benefit of the Community Foundation of Northwest Georgia's investment performance. A donor can make the charitable gift in the year which best suits their tax planning needs and can recommend grants from the fund to charities in the future. Because a donor's interests change as do the needs of the community, a Donor Advised Fund allows flexibility.

A Donor Advised Fund can receive gifts of appreciated securities or other assets and distribute grants to a number of non-profit organizations. This allows a donor to utilize appreciated assets for charitable contributions more efficiently and minimizes the need for the recipient charities to deal with non-cash assets.

## Charitable Organization Endowment Fund

Charitable organization endowment funds are permanent funds which are invested in the Community Foundation of Northwest Georgia's general pool and which distribute annual earnings back to the organization for its operations or other purposes designated by donors when the fund was established.

The minimum amount required to establish a charitable organization endowment is \$5,000 but organizations can add to the amount over time. Annual distributions to organizations are set by the donor, but on average, distributions are approximately 5% of the fund's average balance. Additional investment performance is added to the fund balance to ensure that the fund's income stream keeps up with inflation.

Using the Community Foundation of Northwest Georgia for endowment management has many advantages for a charitable organization. We provide:

- Professional investment services.
- All administrative and accounting services including donor acknowledgment and recognition.
- Assistance with fund development, planned giving, and enhanced visibility.
- Opportunity to participate in Capacity Building Program and Grants.

For donors who wish to contribute to endowments for specific charitable organization, the Community Foundation of Northwest Georgia offers the assurance that their contribution will be professionally managed. Donors can be recognized for gifts to charitable organization endowments through the Community Foundation of Northwest Georgia's publications and annual reports.

## Charitable Trusts

Charitable Trusts can be tailored to meet the needs of an individual, couple or family. In most cases, Charitable Trusts can provide tremendous tax advantages to the donor while providing a significant contribution or source of income to a charity or charities.

Trusts can be established through the donation of appreciated securities or other assets, often achieving significant tax benefits for the donor. For those who establish Charitable Trusts, the Community Foundation of Northwest Georgia offers the assurance that their trust will be professionally managed.

Charitable Remainder Trusts can provide a specific and reliable income to a donor during their lives, with the funds remaining being distributed to the charity or charities of their choice when the trust terminates.

Charitable Lead Trusts can provide annual distributions to a specific charity or qualified recipient like a church, during a specified period of time, with the remaining assets transferring to you or your heirs, often yielding significant transfer-tax savings.

Other Trusts can be designed to meet the specific needs and timetable of any donor.

## Endowed Scholarship Funds

An Endowed Scholarship Fund is designed for donors whose interests include providing assistance to individuals seeking to further their education. Scholarships can be granted to students focusing on a specific course of study like textile management, or in general furtherance of a student's education. Endowed Scholarships can be a great way to memorialize an individual or a family's commitment to education. Contributions can be made to an Endowed Scholarship program at

any time, increasing its ability to help. Earnings from this Endowment are available for award each year.

The Foundation can assist the donor in developing procedures and guidelines that tailor each scholarship program to meet the goals of its founders.

For donors who wish to establish or contribute to scholarships, the Community Foundation of Northwest Georgia offers the assurance that their contribution will be professionally managed. Donors can be recognized for gifts to the Endowed Scholarship Fund through the Community Foundation of Northwest Georgia's publications and annual reports.

## Field of Interest Funds

A Field of Interest Fund is designed for donors who would like their contributions to benefit a particular area of interest, type of organization, community issue or geographic area. Some of the Field of Interest Funds administered by the Community Foundation of Northwest Georgia include:

- Beautification of public parks and lands.
- Assistance to projects helping children.
- Support of arts in our public schools.
- Assistance to programs helping the elderly.
- Support for organizations and activities in specific communities.

The funds are administered by the Community Foundation of Northwest Georgia Trustees to support those areas specified by the donor. A Field of Interest Fund is an ideal way for a donor to support a long-term interest and allow the Community Foundation of Northwest Georgia to adapt the specific use of Funds to the most appropriate organization or need at that time. A Field of Interest Fund may have an advisory committee which can make suggestions on annual distributions from the fund or work with other community groups to utilize the fund to meet the donor's intentions. The Community Foundation of Northwest Georgia operates a number of grant programs and can coordinate the grants originating from the Field of Interest Fund with other programs to enhance and maximize the fund's impact.

A Field of Interest Fund generally is named for the donor or sponsoring organization who establishes the fund. The minimum amount to establish a Field of Interest Fund is \$5,000. Funds are invested in the Community Foundation of Northwest Georgia's general investment pool and receive the benefit of all Community Foundation of Northwest Georgia administrative and accounting services. All Field of Interest Funds are recognized in the Community Foundation of Northwest Georgia's Annual Report, unless the donors request otherwise.

## Endowments Serving the Region and the Communities of Northwest Georgia

The Fund for Northwest Georgia assists organizations and initiatives throughout the region in enhancing services and programs that meet the changing needs of the region.

Gifts made to these funds are unrestricted and administered by the Community Foundation of Northwest Georgia or Local Affiliate Fund Trustees to meet the changing needs of each community. They provide the greatest benefit to the community because of the flexibility to address current issues and opportunities.



*There is so much more we'd like you to know.  
For more information, visit our website at  
[www.communityfoundationnwg.org](http://www.communityfoundationnwg.org) or call  
(706) 275-9117.*