



ADMINISTRATIVE AND INVESTMENT FEES POLICY - 2024

Statement of Purpose

In managing a variety of charitable funds for the benefit of San Luis Obispo County residents, The Community Foundation San Luis Obispo County ("Foundation") has developed a fee schedule to accommodate the required services, including administration, grantmaking, reporting and banking activities of each fund. The Board of Directors reviews and determines fees on an annual basis.

Statement of Policy

As of fiscal year, beginning 2024, the following fees are in effect:

Administrative Fees:

Notification of fees – Every possible attempt will be made to notify potential donors in advance of our current fee schedule. In addition, our current fee schedule is available online at <https://www.cfsloco.org/about-us/finance-and-investment/>

Endowed Funds

All endowed fund administrative fees are based on the average daily fair market value of the fund year-to-date and are assessed quarterly, unless otherwise noted in the fund agreement.

These fees apply only to funds that are not conducting special programs or projects requiring additional staff work. The board gives management the right to negotiate fees based on the size of the gift and amount of staff time required.

Donor Advised Funds:

<u>Per Annum, assessed quarterly</u>	<u>Fund Size</u>
1.75% with \$625 minimum	\$25,000* – 499,999
1.25%	\$500,000 – 1,999,999
1.00%	\$2,000,000 and more

Designated and Field-of-Interest Funds:

<u>Per Annum, assessed quarterly</u>	<u>Fund Size</u>
1.5% with \$625 minimum	\$25,000* – 499,999
1.0%	\$500,000 – 1,999,999
.75%	\$2,000,000 and more

Agency Funds:

<u>Per Annum, assessed quarterly</u>	<u>Fund Size</u>
2.5% with a \$625 minimum	\$25,000* – 499,999
2.0%	\$500,000 – 999,999
1.5%	\$1,000,000 – 1,499,999
1.0%	\$1,500,000 – 1,999,999
.75%	\$2,000,000 and more

*Where possible, \$25,000 is the minimum to establish this type of fund. Should the fund be established with a lower amount as established in the fund agreement, or if the balance falls below \$25,000, the fund will be charged the administrative fee of the lowest tier of fund balances.

Scholarship Funds:

<u>Per Annum, assessed quarterly</u>	<u>Fund Size</u>
2.5% with a \$625 minimum	\$50,000** – 499,999
2.0%	\$500,000 – 999,999
1.5%	\$1,000,000 – 1,499,999
1.0%	\$1,500,000 – 1,999,999
.75%	\$2,000,000 and more

** Where possible, \$50,000 is the minimum to establish a named scholarship fund. Should the fund be established with a lower amount as established in the fund agreement, or if the balance falls below \$50,000, the fund will be charged the administrative fee of the lowest tier of fund balances.

Unrestricted funds:

<u>Per Annum, assessed quarterly</u>	<u>Fund Size</u>
1.5%	All fund balances

Non-endowed Funds

All non-endowed funds established will be assessed a 3% fee on the initial gift, with a minimum fee of \$300 if the establishing gift is under \$10,000. A 3% fee will be assessed on each future addition to the fund. The Board gives management the authority to negotiate fees based on the size of the gift and amount of staff time required. Non-endowed Scholarships:

The Foundation reserves the right to determine a higher fee, typically ranging from 3% to 10% on each deposit for such a fund, based on amount of staff time required to administer the scholarship. If the established fee is other than 3%, the actual fee percent will be expressly noted in the fund agreement.

Fees are reevaluated on an annual basis and may be amended to ensure they accurately reflect the administrative costs associated with a particular fund.

Memorial Funds:

The Foundation may waive administrative fees on memorial funds for the first twelve months after the fund is established. Fees for memorial funds will be 3%.

Fiscal Sponsorship Funds:

Occasionally, The Foundation is asked to participate in a project having important community impact or broad community support with the goal of addressing an otherwise unmet need. Typically, these projects are time-limited and are not permanent funds. In such cases, the Foundation would determine a fee to administer the project, subject to approval by the Foundation Board of Directors. See the Foundation's Fiscal Sponsorship Policy for detailed information on the fees associated with this type of project.

Investment/Custodial Fees on endowed funds:

In addition to Administrative Fees as noted above, each endowed fund will bear its proportionate share of any investment or custodial fees, which typically range from .50% to 1.00% annually, assessed quarterly, unless otherwise noted in the fund agreement.

Event Fees for fund events hosted by the Foundation:

The Foundation has from time-to-time hosted various events, for the benefit of a specific, identifiable fund, including ticket sales. Event fees are 10% of the event gross revenue. Field of Interest funds are excluded from event fee costs.

Fees for liquidating gifts of stock:

On occasion, a local agency will have a donor who wishes to donate to the agency via a gift of stock, and the agency has requested assistance from the Foundation in liquidating said gift. In such an instance, the gift may be made to the Foundation, and the Foundation will liquidate the stock on the agency's behalf. If the agency places the proceeds in their fund at the Foundation, the Foundation will charge its usual fee according to the type of fund the agency has. If the agency wishes to have the proceeds sent directly to it, the Foundation will charge the regular non-endowed fee (see above), with a minimum of \$100.

Fees for other pass-through gifts:

On occasion, the Foundation may accept a restricted gift from a donor who does not have a fund at the Foundation, with the intent that the gift be passed directly on to a non-profit agency. Examples of this might include a one-time donor would like to make a year-end gift to the Foundation pending final distribution instructions. In such a case, the funds would be placed into the Foundation's Restricted Fund until distribution is made, and an administrative fee of 3-10% would be assessed, depending on the amount of staff time required to fulfill the final distribution requirements, including necessary due diligence. The Board gives management the authority to negotiate fees based on the size of the gift and amount of staff time required. In such situations, agreed administrative fees must be confirmed in writing from the donor and the appropriate Foundation staff.