



**ADMINISTRATIVE AND INVESTMENT FEES POLICY – 2026**

**Statement of Purpose**

The Community Foundation San Luis Obispo County (CFSLOCO) charges two types of fees to cover general operating costs associated with many of its core services: Administrative and Investment Management Fees. Foundation costs supported by administrative fees include Fund/gift establishment, receipt of assets and contributions, grants and general fund administration, research and due diligence on nonprofit agencies, and other charitable purposes. Investment management and consulting fees related to the Foundation’s investment pools are passed through as separate costs.

**Policy Introduction**

Administrative and Investment fees enable CFSLOCO to serve our donors and San Luis Obispo County to it’s full potential. Fees vary based on fund category, fund type, and size, and are vital to supporting the ongoing suite of services provided by the foundation to its stakeholders, including:

- Fund support and administration.
- Receipt and tax acknowledgement letters for contributions.
- Grant processing.
- Due diligence and research on nonprofit agencies, including site visits.
- Strategic gift planning.

Our donors can take comfort in knowing that the support they provide to the Community Foundation when they choose us as their philanthropic home is being leveraged and multiplied for the good of our community.

**Fund Categories:**

Aggregate fees fall into two core expenses:

Fee	Description
Administrative Fees	Fees earned by The Foundation to support the cost of it's services
Investment Fees	Fees passed through The Foundation to manage the cost of outsourced investment advisory services

Under the banner of administrative fees, there are two main categories of funds: Endowed Funds and Non-Endowed Funds.

- **Endowed Funds** are gifts that are perpetual and enduring in nature. Incoming gifts are used to establish funds that are invested to grow over the long term. A fixed percentage of the fund balance is made available to be granted each year. 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.



- **Non-Endowed Funds** are established with the goal of being spent, or granted, over a shorter period. The entire fund balance is available to spend immediately, and fees are incurred only once per gift, at the beginning of the gifting process. Each new gift is assessed a fee once.

**Investment Management Fees:** Only endowed funds incur Investment Management Fees. Each endowed fund will bear its proportionate share of any investment or custodial fees, which typically range from 0.25%-0.75% annually, assessed quarterly, unless otherwise noted in the fund agreement.

**Fund Types:**

While the category of Fund will dictate **how** fees are incurred (up front versus quarterly), the Fund type and size will also play a role, as different fund types are associated with varying levels of administrative oversight, staff time, and diligence to care for.

**Statement of Policy**

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

**Donor Advised Funds**

Endowed	
Administrative fees per annum, assessed quarterly	Fund Size
1.75% with a \$625 minimum	\$25,000 - 499,000
1.25%	\$500,000-1,999,999
1.00%	\$2,000,000 and above

Non-Endowed	
Administrative Fee (Up-front)	Fund size
\$300 flat	Under \$10,000
3.00%	\$10,000 and above

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

Endowed	
Administrative fees per annum, assessed quarterly	Fund Size
2.50% with a \$625 minimum	\$25,000 - 499,000
2.00%	\$500,000 - 999,999
1.50%	\$1,000,000 - 1,499,999
1.00%	\$1,500,000 - 1,999,999
0.75%	\$2,000,000 and above

Non-Endowed	
Administrative Fee (Up-front)	Fund Rating
3.00%	Level 1
5.00%	Level 2
10.00%	Level 3

The Foundation determines which level of fees is incurred based on the staff time and overall complexity involved with the maintenance of the Fund. 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.

## Designated and Field-of-Interest Funds

Endowed	
Administrative fees per annum, assessed quarterly	Fund Size
1.50% with a \$625 minimum	\$25,000 - 499,000
1.00%	\$500,000-1,999,999
0.75%	\$2,000,000 and above

Non-Endowed	
Administrative Fee (Up-front)	Fund size
\$300 flat	Under \$10,000

## Unrestricted Funds

Endowed	
Administrative fees per annum, assessed quarterly	Fund Size
1.50%	All Fund Balances



## Agency Endowment Funds

Endowed	
Administrative fees per annum, assessed quarterly	Fund Size
1.75% with a \$625 minimum	\$25,000 - 499,000
1.25%	\$500,000 - 1,999,999
1.00%	\$2,000,000 and above

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.

## Stewardship Funds (Agency Non-Endowed Funds)

Stewardship Funds (Non-Endowed)	
Administrative fees per annum, assessed quarterly	Fund Size
1.75% with a \$625 minimum	\$25,000 - 499,000
1.25%	\$500,000 - 1,999,999
1.00%	\$2,000,000 and above

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.

### Other Types of Gifts and/or Funds:

- **Memorial gifts:** The Foundation may waive administrative fees on memorial gifts for the first twelve months after the gift is established. After the first year, fees for memorial gifts will be 3%.
- **Fiscal Sponsorship:** 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. An updated Fiscal Sponsorship Policy will be made available in 2024.

### Other types of fees:

- **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, the Foundation is asked to be the recipient of appreciated stock rather than cash. In such an instance, the gift may be made to the Foundation, and the Foundation will liquidate the stock on the donor's behalf. Depending on the ultimate destination of the proceeds, the Foundation will charge fees in accordance to this policy, depending on Fund type and size.
  
- **Fees for other pass-through gifts (gifts not associated with an established Fund):** 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 who would like to make a year-end gift to the Foundation pending final distribution instructions. In such a case, the Foundation will safeguard and segregate the assets until distribution is made, and an administrative fee of 3-10% would be assessed, depending on the amount of staff time required to fulfill donor intent. 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 by the donor and the appropriate Foundation staff.
  - **Individual Retirement Account (IRA) qualified charitable distributions:** For gifts originating from a retirement account, The Foundation must also segregate assets and hold those funds separately until they are distributed. We are not permitted to contribute retirement assets to a Donor Advised Fund. Procedures and fees mirror the above details on pass-thru gifts.