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# SUPPORTING YOUR CHARITABLE ORGANIZATION

Establishing a Fund at a community foundation is a simple and efficient way to build a sustainable income stream for your charitable organization. A community foundation handles all the administrative responsibilities and investment management related to your Fund so that your staff and volunteers can concentrate on fulfilling your charitable mission. Donors who have made gifts to your organization benefit from knowing the community foundation will provide sound governance and trusted stewardship over their funds.

## AGENCY ENDOWMENT FUNDS

An agency endowment means you transfer permanent asset ownership to a community foundation and access both investment and administrative services. The agency endowment fund is invested professionally and a portion of its value is available each year for distribution back to your charitable organization. Donors who want to leave a permanent legacy can be sure that the endowed fund's principal will be preserved and can grow over time, providing a source of lasting support.

## MANAGED FUNDS

Managed funds are endowment funds entrusted to a community foundation by other charitable organizations for investment purposes only. Similar to agency endowment funds, by pooling your funds with a community foundation you benefit from economies of scale through lower fees and a diverse investment portfolio. Managed funds are different from agency endowed funds as the asset ownership is maintained by your charity and you have access to the principal and income at any time.

## INVESTMENT APPROACH

Pooling your funds with others at a community foundation provides your charitable organization with the benefits of a diverse investment portfolio and low fees that typically come only with very large funds.

A community foundation's pooled investments are held in a broadly diversified and conservatively managed portfolio with an objective of generating a total investment return that preserves capital, delivers reasonable growth, provides income for granting, recovers the cost of managing and administering the funds, and establishes a cushion against potential market declines while minimizing risk and volatility.



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*Community Foundations of Canada is the national network for Canada's 191 community foundations. Together we are a philanthropic movement working across sectors to help Canadians invest in building strong and resilient communities.*