

# How to Create a Charitable Fund

Giving through a community foundation offers a unique and powerful way for you to meet your philanthropic goals, whether you choose to establish your own endowment or contribute to a fund that already exists.

We're here to help you make a difference in your community, leave a legacy and achieve your charitable vision. Whether you choose to embrace a specific cause or support an overall philanthropic effort, the Waukesha County Community Foundation (WCCF) will help you discover the power of endowed giving and define your charitable intent.

Individuals, families, corporations, institutions or nonprofit organizations may establish funds with the Waukesha County Community Foundation. We offer our donors many ways to meet their charitable goals.

Creating a WCCF Fund is as easy as 1, 2, 3...

- 1 Give it a name.
- 2 Give it a purpose.
- 3 Give it funds.

**Donor Advised Funds** allow you to make recommendations as to how distributions (grants) from the fund are spent. Although federal tax law requires that the Foundation make the ultimate decisions on grant distributions, we make every effort to follow your wishes. Donor advised funds operate much like a private foundation, but without the expense and tax-reporting requirements.

**Field-of-Interest Funds** are established to support unspecified programs or organizations in a general field of interest important to you, such as education, historic preservation, children, the elderly, the environment, or arts and culture.

**Donor Designated Funds** are established by you to benefit one or more specific organizations or programs.

**Agency Funds** are established by a nonprofit organization to provide an annual source of income to support the organization's mission. An organization placing its endowment with the WCCF directly benefits from inclusion in a large portfolio with access to experienced investment managers and administration of endowment services.



**Scholarship Funds** provide grants for educational purposes at both undergraduate and graduate levels. You may recommend an academic focus for your scholarship fund (such as nursing, the arts or engineering) and eligibility criteria (including financial need, academic merit, geographic residence and/or community service).

**Unrestricted Funds** are distributed for charitable purposes at the discretion of the board of directors. These important funds empower us to make strategic grants, where need and opportunity are greatest.

**Waukesha County Community Foundation Operating Funds** are endowments established to strengthen and support our continued philanthropic services to the community throughout Waukesha County. These funds are separate from all other funds and may be added to through donations.

## How an Endowment Works

- With a gift of \$1,000, you can establish a fund for almost any charitable purpose. Once the fund balance reaches \$25,000 (\$10,000 for Donor Designated Funds), it is able to begin making grants. The \$25,000 can be reached over a five-year period.
- The principal of your fund is never spent, and it can grow over time to generate an increasing stream of funding devoted to your interests and the community.
- Earnings are used to make grants that meet community needs. Your gift – and all future income from your gift – is a permanent source of community funding that makes good works possible, forever.