

AGENCY FUNDS

WHATCOM
community
FOUNDATION



Partnering for Good: Fueling Community Impact Together

Think of a nonprofit agency fund like a savings account for your organization's future—one that's professionally managed and built for long-term impact.

When your nonprofit opens an agency fund with the Whatcom Community Foundation, you're choosing a partner to help protect the organization's precious charitable dollars. The Foundation takes care of investment management, administrative tasks, and helps ensure your fund is being used in a way that aligns with your mission.

An agency fund can be:

- ☒ A smart way to build long-term sustainability
- ☒ A trusted place for donors to contribute major or legacy gifts
- ☒ A helpful tool for managing reserves or planning for the future

And best of all, you stay in control. Your organization recommends how and when to use the fund—and we're here to support you every step of the way.

Endowed Agency Fund

An endowment fund is a lasting financial resource for your organization. It's designed to grow over time and provide steady, reliable support year after year. Here's how it works: your fund is invested alongside others in a long-term pool, which helps it appreciate over time. After a three-year growth period, your organization can begin receiving annual payouts—or choose to reinvest those earnings accelerate the fund's growth.

The original donation (the corpus) stays in the fund permanently. This helps ensure that your organization will benefit not just today, but for generations to come. The Community Foundation's Board of Directors sets the annual distribution rate (i.e., the portion of the fund balance that is available to grant to your organization) to balance stability with long-term growth.

Whether your organization wants to ensure ongoing revenue to support your mission, grow resources for a capital project or determine how best to handle a large gift, you have options.

That's a big reason to choose the Community Foundation.

Here are more:

- Support in accepting all types of gifts, including real estate and other complex assets
- Professional investment administration and oversight
- Low administrative fees that help support the local community and nonprofits like yours
- Online access to your fund information
- Local stewardship and investment options
- Visibility among WCF's network of fundholders

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Endowed Agency Fund (*continued*)

In short, it's a smart, enduring way to support your mission far into the future.

- ✓ Permanent source of income
- ✓ Three-year waiting period
- ✓ Annual distribution in January
- ✓ Distributions from earnings only - principal/corpus stays intact
- ✓ Agency has option to reinvest its annual distributions or keep them available for future use
- ✓ Continued partnership with the Community Foundation to maximize future opportunities and needs

An endowment is a permanent* fund, designed to keep the principal amount intact while using a portion of the investment income for charitable purposes.



A non-endowed fund may, at some point, be spent down by the organization.

**As in life, there are exceptions. Ask about alternative endowment options that might meet your organization's needs.*

Non-Endowed Agency Fund

Non-endowed funds give organizations the opportunity to save in a professionally administered fund that is fully accessible. It's a simple, flexible way for nonprofits to build funds for a project or future operational needs. The entire balance can be expended. Distributions may be requested up to four times per year via your organization portal.

- ✓ No waiting period
- ✓ Distributions may be requested up to four times per year
- ✓ Agency may request up to 100% of their funds as needed

Nonprofit Designated Fund

When your organization opens an Agency Fund at the Whatcom Community Foundation, we also create a connected Designated Fund on your behalf. This fund is designed to welcome gifts from community members –people who care about your mission and want to help the organization thrive.

We share your Designated Fund with our network of fundholders and other community members as a way for them to support local nonprofits doing important work—like yours. It's another way to build visibility, attract new supporters, and advance your goals.

What if someone wants to make a gift to your agency fund?

No problem!

For regulatory reasons, donor gifts are handled through a different type of fund, but the benefits to your organization are the same.

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Investment Options

Endowed funds can be invested in one of two long-term pools, standard or socially screened. Non-endowed funds are typically invested in either short- or mid-term pools but depending on how long the funds need to be held, may also be invested in a long-term pool.

Learn More about [WCF's Investment Pools HERE>](#)

Step-by-Step Process

Step 1: We Start with Your Goals

Your board and staff work directly with our team to understand your organization's long-term financial needs. Together, we'll determine the right type of fund(s) and how much you'd like to contribute to get started.

Step 2: Your Fund Is Invested for the Future

Your agency fund—named for your organization—is invested in one or more of the Community Foundation's professionally managed investment pools, designed to meet your investment goals.

Step 3: We Handle the Details

The Community Foundation manages all administrative and investment responsibilities, so your team can stay focused on mission-driven work. You'll have access to an online portal to review your fund 24/7, and receive semi-annual statements about fund activities.

Step 4: We Help Facilitate Meaningful Gifts

Our experienced staff can accept and process a wide range of contributions on your behalf—from gifts of appreciated stock to more complex assets, such as real estate. We make it easy for donors to give generously, and for you to benefit fully.

Step 5: Add to the Fund Anytime

Your organization—or your supporters—can add to the fund(s) at any time, building a stronger financial foundation for your work now and into the future.

Administrative Service Fees

Administrative service fees depend on variables such as fund balance and type, and range between .5% - 2% of your fund balance annually.

These nominal fees cover investment expenses and help the Community Foundation strengthen the local nonprofit sector and support Whatcom County.

Learn More about [WCF's Administrative Fees HERE>](#)

**Thank you for serving
Whatcom County.**

**Let's work together to
ensure that your financial
future is as strong as the
work you're doing.**

Call us at 360.671.6463
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to get started.

