



Katy Purcell White <kathryn.purcellwhite@oesu.org>

Fwd: VCF Nonprofit Fund Information

1 message

Emilie Knisley <emilie.knisley@oesu.org>

Fri, Sep 17, 2021 at 12:22 PM

To: Kathryn Purcell White <kathryn.purcellwhite@oesu.org>, Danielle Corti <danielle.corti@oesu.org>

Could you forward everything below to the OUUSd finance committee for Monday.

Emilie B. Knisley, M.Ed., CAGS, CAEL
Superintendent

Orange East Supervisory Union

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Change is the law of life. And those who look only to the past or present are certain to miss the future. —John Fitzgerald Kennedy

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From: **Linda Metcalf** <linda.metcalf@oesu.org>

Date: Fri, Sep 17, 2021 at 12:17 PM

Subject: Fwd: VCF Nonprofit Fund Information

To: Emilie Knisley <emilie.knisley@oesu.org>, Danielle Corti <danielle.corti@oesu.org>

Emilie and Danielle:

I just got off the phone with Emilye Corbett, a Senior Advisor at the Vermont Community Foundation. The Vermont Community Foundation is a source of support for the state and provides investment management and advice for non-profits, municipalities and schools. I was very impressed with the Foundation and the information that Emilye provided. I thought you might want to have this information to send out to the Finance Committee for Monday. Emilye said if the Finance Committee is interested in learning more about what VCF has to offer, she would be happy to come to a meeting.

She said it is not uncommon to have schools contact them with the same situation that we are in, especially once schools became unified!

Please let me know if you have any questions, and Emilie thanks for the tip about the VCF!

Thank you

Linda M. Metcalf, MBA

Business Manager

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From: **Emilye Pelow Corbett** <epelowcorbett@vermontcf.org>

Date: Fri, Sep 17, 2021 at 11:04 AM

Subject: VCF Nonprofit Fund Information

To: Linda Metcalf <linda.metcalf@oesu.org>

Hi Linda,

Wonderful to speak with you today.

Here is additional information on our nonprofit funds. I have also attached fund agreements and nonprofit resolutions for both fund types. After reviewing this information let me know if it would make sense to speak to the finance committee.

Vermont nonprofits including municipalities and schools [establish nonprofit funds](#) at the Vermont Community Foundation to provide support for their charitable purposes, programs, and operations. We work with over 200 different nonprofits in Vermont.

Typically, nonprofits use endowment or quasi-endowment funds, new bequests, or major gifts in their possession to establish these funds at the Community Foundation. What many people do not realize is that the Community Foundation investment returns outpace various commercial options, and I've included both a copy of the most recent returns for our [Long-term Pool](#), [Socially Responsible Pool](#), as well as [investment policy and background](#).

Choosing to establish a nonprofit fund at the Community Foundation provides your organization with numerous advantages:

- The nonprofit fund is invested in highly-diversified, professionally managed investment pools with world-class investment managers;
- The assets are legally transferred to the Community Foundation, adding a third party layer of protection to ensure the future use of the assets remains consistent with the original fund purpose;

There are two different types of nonprofit funds at the Community Foundation: Nonprofit Endowed Funds and Nonprofit Reserve Funds. The primary difference is the process by which the organization may access the fund assets beyond the annual spending amount. Both fund types receive an annual spending amount that is available for distribution to the organization. The amount is based on a carefully-calculated formula, currently set at 5% of the average balance of the fund over the last 36 months.

For a Nonprofit Endowment Fund, fund assets beyond the annual spending amount may only be accessed in circumstances of financial emergency or extreme need; and then only at the request of the organization's board and at the discretion of the Community Foundation. This fund type is suitable for organizations that intend to maintain assets in perpetuity, while providing annual support for programs and operations.

For a Nonprofit Reserve Fund, fund assets beyond the annual spending amount may be accessed without having to demonstrate circumstances of financial emergency or extreme need. Additional distributions for charitable purposes can be requested by the organization through a simple, efficient process. Due to the nature of the investment pools, please note that this fund is not intended to be used as a "charitable checking account." This fund type is suitable for organizations that intend to maintain assets in perpetuity, but want to have flexibility in accessing the entire fund balance.

The Community Foundation provides a variety of services to nonprofits, in addition to Nonprofit Funds:

Planned Giving Partnership

Planned gifts are one of the fastest growing vehicles in philanthropy, yet few nonprofits can afford a staff person for these programs. Nonprofits can join our planned giving partnership program as part of opening a Nonprofit Fund. It provides advice and tools to offer planned gifts to their supporters. The Community Foundation also manages Charitable Gift Annuities and Charitable Remainder Trusts for nonprofits.

Competitive Grant Rounds

Each year the Foundation awards Community Fund grants around the state that address a broad range of issue areas. This grant process is managed by the Foundation staff and seeks to be responsive to the ever-changing needs of Vermont communities. We also oversee a small number of funds that make grants in specific interest areas. Our philanthropic advisors work with Vermont nonprofits to help them determine the best available grant opportunities.

Philanthropic Advisors

These staff members support Vermont donors and nonprofits by delivering an integrated approach to philanthropy. Each advisor works closely with donors to understand their passions and connect them with the innovative work nonprofits are undertaking.

Additional information that I think you and your finance committee members will find of interest include: [Investment Committee information](#), details on our investment manager Crewcial Consulting and a link to our past investment calls.

Thank you!
Emilye

Emilye Pelow Corbett, CAP®, 21/64 Certified Advisor

(she/her/hers)

Senior Philanthropic and Planned Giving Advisor

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COVID-19 RESPONSE AND RECOVERY: The Community Foundation is committed to helping Vermont communities that are impacted by COVID-19.

Visit [VCF's COVID19 Response Fund](#) page to learn more about what we're doing.

Visit [CommonGood VT's](#) page for nonprofit resources.

Visit the [Statewide Covid19 Resources](#) page to find assistance where you live.

4 attachments



Nonprofit Reserve Fund agreement PDF fillable.pdf

915K



Nonprofit Board Resolutions to establish Nonprofit Reserve Fund PDF Fillable.pdf

26K



Nonprofit Endowment Fund agreement PDF fillable.pdf

554K



Nonprofit Board Resolutions to establish Nonprofit Endowment Fund PDF Fillable.pdf

34K