Benefits for Agency Partners

The Community Foundation of the Ozarks addresses the needs of nonprofits through the Agency Partners Program. Any nonprofit, church, school or government entity that establishes a fund with the CFO is considered an agency partner. Participating agencies have the peace of mind knowing their charitable resources are being managed in a sound and responsible manner by an experienced Investment Advisory Board, as well as a dedicated staff and Board of Directors committed to working for the benefit of our communities.

The Agency Partner Program provides the following services to members who establish a fund with the CFO:

- Investment management
- Access to CauseMomentum.org, a crowdfunding website owned by the CFO
- Board development
- Professional development and educational seminars on a variety of pertinent topics
- Access to the CFO’s charitable gift annuity program
- Access to fund information online via Donor Central
- Automatic delivery of tax acknowledgement letters to donors
- Acceptance of a wide variety of donor gifts
- Advice on planned giving
- Information on grant opportunities

Agencies that choose to partner with the CFO will know they are engaged in a regional effort to enrich and better the lives of people and communities throughout the Ozarks.
Agency Partner Program

Agency Partner Fund Types

**Capacity Funds:** $2,500 to open new fund, $1,000 minimum to maintain

Agency Partners are in the unique position of partnering with the Community Foundation of the Ozarks by establishing a **capacity fund**. These organizational funds are not permanent funds, but rather allow the agency flexibility in distributions. Capacity funds are completely liquid and can be withdrawn by the organization at any time. The primary reasons to consider such a fund are:

- **Capital campaigns:** As your organization raises assets for the purpose of the campaign, the money can be invested in a money market account or in the diversified fund and can be withdrawn either incrementally or in total, when the project or purpose of the campaign has been completed.
- **Reserve:** Organizations may have reserve funds that they do not need to access in the foreseeable future. Letting these funds grow in a capacity fund, while having total access to all or part of the money at any time, is a plus.
- **Earning:** Capacity funds have two investment options: cash or diversified. The cash option is FDIC insured and has a smaller return. The diversified option is subject to market risk, but the historical average return is more than 7.5 percent annually.

- **Accessibility:** Capacity-building funds keep assets fluid rather than tying them up in an endowed fund, which has a spending policy.

As stated in the fund agreement, all funds with the CFO are subject to the administrative fee of the CFO. As of July 1, 2018, the administrative fee for capacity funds is 1 percent annually based on the fund’s balance; fee assessed quarterly. The fees paid for management stay local and are ultimately reinvested in the community.

**Endowment Funds:** $10,000 to open, principal is restricted

**Endowment funds** also are managed by the CFO. This type of fund provides permanent long-term funding for an organization. The endowments are invested and intended to help sustain an organization for years. The historical average return on the diversified investment is more than 7.5 percent annually. The current administrative fee for endowments is 1 percent annually based on the fund’s balance; fee assessed quarterly. Funds established with affiliate foundations may have additional fees, which could increase total fee to 1.15 percent. The CFO’s Investment Advisory Board sets an annual spending policy that determines how much of the fund can be withdrawn in a given fiscal year.

**Capacity Funds vs. Endowment Funds**

<table>
<thead>
<tr>
<th>Capacity Fund</th>
<th>Endowment Fund</th>
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<tbody>
<tr>
<td>Completely liquid</td>
<td>Current 4 percent distribution policy in FY19</td>
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<tr>
<td>Historic contribution spendable</td>
<td>Historic contribution never spent</td>
</tr>
<tr>
<td>Minimum $1,000 balance for distribution</td>
<td>Minimum $10,000 balance for distribution</td>
</tr>
<tr>
<td>Temporary</td>
<td>Provides permanent source of income</td>
</tr>
<tr>
<td>Investment choice: cash or diversified</td>
<td>Invested in diversified fund</td>
</tr>
<tr>
<td>Can eventually become endowed</td>
<td>Always remains endowed</td>
</tr>
</tbody>
</table>
What is an endowment fund?
An endowment is a permanent fund that provides income each year to support your organization’s mission. Endowment funds are professionally managed to ensure the funds remain strong over time. Currently, endowment funds pay out 4 percent of the average fund balance. For example, a $100,000 fund provides about $4,000 of support each year.

Why is an endowment important?
An endowment provides essential stability and is a permanent source of funding. It facilitates strategic use of funds and allows the organization to plan on the income from one year to the next. An endowment fund presents an excellent option for donors who want to make legacy or planned gifts. Board members and donors appreciate the fact that endowments provide sustainable and guaranteed sources of income.

What form can an endowment gift take?
Endowment gifts take many forms. The CFO provides professional gift planning assistance and facilitates gifts of all types, including:
- Cash
- Gifts of non-cash assets such as stock and real estate
- Gifts through wills or trusts
- Gifts of retirement plan assets
- Gifts of life insurance

What is a named fund?
A named fund is a permanent endowment that honors an individual or family and benefits the organization the donor cares about most. Named funds are created with a gift of at least $10,000. The gift may be current or deferred, as in the case of a gift made through a will. Each year, the charitable organization receives income from the named fund.

What is a bequest?
A bequest is a gift made in a will or trust. Because a bequest is flexible and revocable, it is the most common type of donor legacy gift. With a gift made from a will to an endowment fund, a donor can continue to support the organization mission far into the future.

Are endowment funds restricted in purpose?
Most endowment funds provide unrestricted support to advance the mission of a nonprofit organization. It also is possible to establish a fund to support a specific purpose within an organization. Individuals and families often create funds named to honor an individual and to support a program of special importance to them.
The Community Foundation of the Ozarks welcomes funds established by nonprofit agencies in central and southern Missouri. To ensure that such funds comply with both the mission of the CFO and the requirements of the IRS, the following guidelines have been established.

**Distributions from 501(c)3 Agency Funds**

As a verified 501(c)3 nonprofit organization, you may choose to make distributions from your CFO-held funds as you see fit. Your organization is fiscally responsible for distributions from your fund. Distribution requests can be made by email, fax or written request. Distributions must be made by the approved agency contact for the organization.

**Email requests:** zclapper@cfozarks.org
**Fax:** (417) 864-8344
**Written request:** Community Foundation of the Ozarks, Attn: Zach Clapper
P.O. Box 8960 · Springfield, MO 65801

Capacity funds are not meant to be used as checking accounts. A nonprofit organization should maintain a separate checking account for operating expenses, day-to-day transactions and frequent needs. A capacity fund is meant to help a non-profit work toward a specific goal, raise capital, and build interest on reserve funds.

To view the fund activity, use Donor Central to view the gifts and distributions from your agency funds.

**Adding Assets into your Agency Funds**

There are a few ways to add assets to your agency fund:
- Checks can be mailed to the CFO. Checks may be written out to your agency's name, to the name of your fund, or to “Community Foundation of the Ozarks.” Please include the fund that will receive the gift either in the memo line of the check or in a note mailed with it. Please do not endorse the check.
  **Mail to:** Community Foundation of the Ozarks,
  Attn: Finance Department
  P.O. Box 8960 · Springfield, MO 65801
- Credit card gifts may be received through the CFO into your agency fund. Donors may make gifts at www.cfozarks.org/donate. Donors indicate the fund name in the credit card donation process online. We can create a direct link to your fund’s page upon request.
- A wire transfer or stock gifts may be made into your agency fund.
- For stock or wire transfer instructions, please contact Zach Clapper, Manager of Philanthropic Services/Agency Partner Program, at zclapper@cfozarks.org or (417) 864-6199.

With all gifts that are made directly from a donor into a fund at the CFO, a gift acknowledgement will be sent to the donor. Credit card gift acknowledgements are provided via email immediately after the gift; all other gift acknowledgements are made by mail.
AGENCY PARTNER PROGRAM

Fund Contribution Instructions

All gifts that are made directly from a donor into a fund at the Community Foundation of the Ozarks will receive a gift acknowledgement. Credit card gift acknowledgements are provided via email immediately after the gift; all other gift acknowledgements are made by mail. To view transfers made into or out of your fund (either by your organization or by other donors), use your Donor Central login to view the gifts and distributions from your agency funds.

To Contribute via Check

- Make check payable to “Community Foundation of the Ozarks” or “CFO”
- Memo line should include the name of the fund you are contributing to
- Mail check to the CFO at: Community Foundation of the Ozarks, P.O. Box 8960, Springfield, MO, 65801

To Contribute via Credit Card

- Credit card gifts may be received through the Community Foundation website: www.cfozarks.org/donate
- Donors should indicate the fund name OR a direct link to your fund’s page can be created upon request.

To Contribute via Wire Transfer

- Bank: Guaranty Bank
- Bank address: 1341 W. Battlefield Rd., Springfield, MO 65807
- Organization name on account: Community Foundation of the Ozarks, Electronic Transfer Account
- Bank routing details (ABA): 286573335
- Account number: 7900025865
- Phone: (417) 885-0502

To Contribute via Transfer of Stocks or Securities

- Financial Institution: Edward Jones
- Registration: Community Foundation of the Ozarks
- DTC: 0057
- Account number: 631-04176-1-0
- Agent: Clark Creighton
- Phone: (417) 882-2040
- Please notify the CFO finance staff before authorizing the transfer

For More Information

Please contact Zach Clapper, Manager of Philanthropic Services/Agency Partner Program, at zclapper@cfozarks.org or (417) 864-6199.