



## RURAL SCHOOLS PARTNERSHIP

# Supporting Rural School Districts



The Community Foundation of the Ozarks addresses the needs of rural school districts through the Rural Schools Partnership. Districts or school foundations that establish charitable funds at the CFO are considered school partners. Partners 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 rural school districts.

The Rural Schools Partnership provides the following services to school partners that establish a fund with the CFO:

- Investment management
- Access to CauseMomentum.org, a crowdfunding website owned by the CFO
- Board development for school foundations
- 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

Schools 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.

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# Options for School Partnership



Because school districts and the communities they serve vary in size and needs, establishing either charitable funds or a school foundation can help close some funding gaps. Beyond these recommendations, those considering either a school foundation or a school fund should educate themselves on which system will best serve their needs.

### Establishing charitable funds

Charitable funds established by a school district or its supporters can support any aspect of the school's programming that is appropriate. For example, a donor might wish to support arts programming beyond the school's budget. Field trips could become an integral part of students' experiences if a fund to provide for these were available through private dollars. Endowment funds can provide stable funding for a school over generations. If the charitable funds supporting a district continue to grow in value, a formal school foundation can be established later.

### Establishing a formal school foundation

Establishing a school foundation can have far reaching effects over a period of time and can help provide a conduit for securing donations and funds to support schools. If a district has community members that are passionate about education but not serving on the school board, a formal school foundation with bylaws and a board of directors could be the answer to augmenting programming. A successful school foundation is primarily focused on success and opportunities for all students. Its leadership is rooted in the community, supports the foundation financially and advocates for planned giving and endowed funding.

### Action Steps for Establishing a School Foundation

- 1 Establish a small, working group to explore the feasibility of establishing a school foundation as an independent 501(c)3 or under the umbrella of a community foundation's charitable status.
- 2 Keep administrators and school board members in the loop, and garner their support before moving forward.
- 3 Establish a formal board or advisory board, depending on the legal structure of the school "foundation."
- 4 Clearly articulate the foundation's mission statement.
- 5 Develop a launch plan that focuses heavily on community education/communication.
- 6 Determine short-term goals to build momentum and launch the foundation.
- 7 Determine long-range objectives and consider existing assets that eventually could be included in the school foundation's portfolio.





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# Resources for School Partners

The Community Foundation of the Ozarks and the Rural Schools Partnership connects school partners with a variety of resources for teachers, districts and school foundations.

### Placeworks

Placeworks offers a wide range of customized arts experiences for students and teachers in rural schools at no cost to school districts. Since 2010, Placeworks has collaborated with over 30 school districts in central and southern Missouri and served more than 10,000 students. Programming is available for K–12 students, including special education and gifted classrooms. Placeworks is a partnership of the CFO and Springfield Art Museum, with funding from the Louis L. and Julia Dorothy Coover Charitable Foundation, managed by the Commerce Trust Company.

### Teton Science Schools

Based in Jackson, Wyo., Teton Science Schools provides teacher training and curriculum for place-based education with a focus on science and inquiry. The mission of TSS is to inspire curiosity, engagement and leadership through transformative place-based education.

### Coover Foundation Place-Based Education Grants

In addition to providing funding for Placeworks, the Louis L. and Julia Dorothy Coover Charitable Foundation, managed by the Commerce Trust Company, offers grants to school and agency partners for place-based education projects.

### Ozarks Teacher Corps

This special program provides scholarships for teacher-education majors who agree to teach for at least three years in a rural district and participate in the learning network. This program is made possible by the Chesley & Flora Lea Wallis Trust.

### Endowment Match Challenge

The CFO encourages school and agency partners to build endowment funds to provide long-term support for schools and organizations. Each year, the CFO provides \$5,000 matching grants for select partners that raise \$10,000 for endowed funds.

### CauseMomentum.org

The CFO's own crowdfunding website is available for school and agency partners to raise funds online. With a low platform fee, local tech support and fund administration, CauseMomentum.org is a great alternative to other crowdfunding options.

## RURAL SCHOOLS PARTNERSHIP

# School Partner Fund Types



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

School partners are in the unique position of partnering with the Community Foundation of the Ozarks by establishing a **capacity fund**. These funds are not permanent funds, but rather allow the school district or foundation 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 school 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:** Schools 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. 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, invested and intended to help support a school in perpetuity. 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. Scholarship funds are also endowed but have different minimum amounts and administration.

## CAPACITY FUNDS VS. ENDOWMENT FUNDS

### Capacity Fund

- Completely liquid and temporary—historic contribution spendable
- Minimum \$1,000 balance for distribution
- Investment choice: cash or diversified
- Can eventually become endowed

### Endowment Fund

- Current 4 percent distribution policy in FY19
- Historic contribution remains endowed and is never spent, providing permanent funding source
- Minimum \$10,000 balance for distribution; \$15,000 for scholarship funds
- Invested in diversified fund





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# Guidelines for School Partner Funds

The Community Foundation of the Ozarks welcomes funds established by school districts and foundations 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 School Partner Funds

As a school district or, in the case of a school foundation, a verified 501(c)3 nonprofit organization, you may choose to make distributions from your CFO-held funds as you see fit. Your district or foundation 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 contact for the school or foundation.

**Email requests:** [zclapper@cfozarks.org](mailto: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 district or foundation should maintain a separate checking account for operating expenses, day-to-day transactions and frequent needs. A capacity fund is meant to help a school 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 funds.

### Adding Assets into your Funds

There are a few ways to add assets to your fund:

- Checks can be mailed to the CFO. Checks may be written out to the school district or foundation, to the name of your fund, or to “Community Foundation of the Ozarks.” Please include the fund name or fund ID 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 fund. Donors may make gifts at [cfozarks.org/donate](http://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 fund. For stock or wire transfer instructions, please contact Zach Clapper, Manager of Philanthropic Services/Agency Partner Program, at [zclapper@cfozarks.org](mailto: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.

## RURAL SCHOOLS PARTNERSHIP

# Fund Contribution Instructions



### Donor Acknowledgements

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 district, foundation or other donors), use your Donor Central login to view the gifts and distributions from your 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](http://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](mailto:zclapper@cfozarks.org) or (417) 864-6199.



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# Endowment Fund FAQ



### What is an endowment fund?

An endowment is a permanent fund that provides income each year to support your school'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 school district or foundation 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 school 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 school district or foundation 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 school's mission far into the future.

### Are endowment funds restricted in purpose?

Most endowment funds provide unrestricted support to advance the mission of a school district. It also is possible to establish a fund to support a specific purpose or program for a school. Individuals and families often create funds named to honor an individual and to support a program of special importance to them.

### How do scholarship funds differ?

Scholarship funds are endowments but can only benefit a limited number of individuals rather than an entire school district. Due to additional administrative requirements, scholarship funds require a \$15,000 minimum to establish. Fund establishers can set specific criteria for recipients, who are selected by a committee set by the fund establisher or the CFO.

