

Set Up a Fund

The Lodi Community Foundation, in association with the Sacramento Region Community Foundation, is helping people plan their giving, maximize their tax advantages, and support their favorite Lodi-area nonprofit organizations during their lifetimes and into the future.

We invite you to contact us any time to consider what you want your philanthropic vision to be — we also have a *planning tool* you can use to craft your charitable vision. When you are ready, it only takes a few minutes to complete a fund agreement.

1. Choose the type of fund

An endowment is a permanent fund that provides ongoing support for your favorite nonprofit organizations or charitable causes. We invest the principal with skilled money managers, anticipating a minimum 8 to 9% return to grow the endowment, from which a small administrative fee is taken. You choose whether to make 4 or 5% annual distributions to the community.

An expendable fund is not permanent, and distributions are not limited to 5%. Expendable funds are preferred by people or businesses that plan to spend down the fund and reseed it in the following year. A small administrative fee is also charged to operate the fund.

Opening both an expendable fund will let you give major gifts now, and an endowed fund will create a legacy that will support your community into the future.

2. Choose a name

A fund may be named for you, a family member, after a cause, or in memory of someone special in your life. You may also choose to be anonymous. Every grant from the fund will carry the designated name.

3. Identify the purpose of the fund

You determine what philanthropic activities you will support. Grants can be sent to any legitimate nonprofit or charitable cause. You choose from these vehicles to fulfill your philanthropic vision:

Donor Advised Funds are funds in which you and or your donor advisors retain the right to “advise” or recommend grant distributions to legitimate nonprofit organizations or charitable causes. Donor advised funds offer many of the benefits of a private foundation without the administrative expense and burden.

Name a Field of Interest Fund. You identify a specific issue, without specifying individual charities. Grants are awarded to organizations that are making a difference in the Lodi area. The Lodi Community Foundation General Fund is such fund.

Scholarship Funds & Designated Scholarship Funds are dedicated to providing scholarships, awards, or stipends to individuals for the purpose of education. Foundation staff can assist you in determining the selection criteria and establishing a nonbiased selection committee.

Designated Funds are for you if you know exactly which nonprofit organization(s) you want to support. A designated fund ensures that the earnings from the endowment you set up will automatically support your favorite non profit organizations without ongoing input from you.

Giving Circles are usually donor advised funds, in which a group of people come together to support a specific cause, idea, or geographical area. Together, the giving circle contributes resources and ideas and works on solutions to community issues.

Memorial Funds are an option to honor a loved one by creating a fund in their name that supports the nonprofit community.

4. Determine how to give

Give during your lifetime: you can make an outright gift of cash, real estate, stocks, retirement plan or IRA assets, and tangible personal property to open an active fund. We are flexible, and if the gift falls within our gift acceptance policy, we may consider accepting other types of gifts.

Plan a gift for the future: in the case of a planned gift or Legacy Fund, you ask your attorney or appropriate advisor to make the “*name of fund*” the beneficiary of your bequest, will, life insurance policy, or trust. If you want to change the charitable beneficiary we will provide you with a new fund agreement to update and sign.

Both: some donors open both types of funds with the same or different charitable purposes.

Increase your gift any time: once your fund is open, we encourage you to continue to contribute to the fund at any time. Ask for our handout on *gift options* if you are interested in creative ideas on how to give.

5. Sign the fund agreement

Whether you give now or in the future, you fill out a fund agreement and arrange to transfer assets to fund your vision. It only takes 20 minutes to complete. The fund agreement specifies what type of fund you are establishing and what charitable causes or nonprofit organizations you want to benefit from your generosity. The Lodi Community Foundation uses the Sacramento Region Community Foundation to open and service our funds. Contact Lorili to discuss your options. There's no charge to open or change a fund agreement.

Contact:

Lorili Ostman – Director of Development & Planned Gifts
Sacramento Region Community Foundation
740 University Avenue, Sacramento, CA 95825
Tel 916.921.7723 Fax 916.921.7725