



**COMMUNITY  
FOUNDATION**  
*of Northern Nevada*

## **COMMUNITY FOUNDATION OF NORTHERN NEVADA**

### **COMMUNITY FUND ADMINISTRATIVE POLICY**

#### **I. Purpose**

Through the Community Endowment Fund, the Community Foundation will provide financial resources that will generate a deep and continuous resource to respond to community challenges annually and/or as they arise.

We don't know what tomorrow will bring, but we believe in our ability to come together and meet those challenges head-on. We believe in the value of investing in the future of northern Nevada, with an endowment fund at Community Foundation of Northern Nevada. We believe that the power of endowment will create:

- A gift that will provide resources today
- An investment that will grow over time
- An enduring pledge to help today, tomorrow and in perpetuity
- An emergency fund to help in time of crises, locally, regionally, and/or nationally

#### **II. Fund Definition & Description**

The Community Fund may be "funded" through unrestricted gifts where the donor has either designated the Community Fund or requested that their gift be used within one calendar year. The amount available to grant will be determined annually at the end of the third quarter based on a rolling three-year average of the balance of the Community Endowment Fund as of September 30<sup>th</sup>. The balance will then be multiplied by a 5% spending rate to determine the total amount to be distributed.

Community Endowment Fund:  
Fund ID c5992e  
Established April 22, 1998

A permanently restricted Fund – Distributions coming from  
a rolling three-year average of the balance of the fund  
Fund Advisor is the Board of Trustees

The Fund balance is defined as the invested cash assets in the fund as of September 30 annually, less any outstanding pledges or grants payable.

Community Fund:  
Fund ID c5985a  
Established June 6, 2014  
Non-Endowed – All assets in fund are disbursable

An unrestricted Fund – All assets may be spent  
Fund Advisor is the Board of Trustees

Community Reserve Fund  
Fund ID to come

Established November 7, 2019

A non-endowed unrestricted Fund – All assets may be spent

Distributions coming from the reserve percentage to be held for community emergencies

Fund Advisor is the Board of Trustees

### **III. Use of Community Fund**

The Board of Trustees shall set the general purpose for the use of the Fund. Uses may include Foundation community leadership work, Foundation goals as determined in strategic plans, and other board-adopted initiatives. The uses may include grantmaking, match grant challenges, funding of studies and projects, and other uses as determined by the Board. Funding may be external to grantees, consultants, or other expenses, or internal for projects and programs. Funding may not be used for Foundation overhead. Funding may be single- or multi-year, but for multi-year there must be sufficient assets in the Fund for future year obligations. The Board may also hold back some of the assets in the Fund for community emergencies. For the purposes of this fund, Community includes the region served by the Foundation from Northeastern California to Northern Nevada, extending over to Northeastern Nevada. The Community Reserve Fund may be used for national emergencies/crises, as recommended by the Stewardship Committee.

### **IV. Vetting Process for Use of the Community Fund & Community Reserve Fund**

The Board of Trustees shall set the scope and general direction for the use of the funds, setting as broad or narrow a scope as it deems appropriate at the recommendation from the Stewardship Committee.

A Fund Advisory Committee (FAC) will be established and nominees for the committee will be accepted by the Stewardship Committee, then presented to the board for approval, on an annual basis. The board reserves the right to replace any committee member in any year. This committee will be comprised of current board members, staff, and community leaders representing diverse perspectives and geographic reach. The Community representatives will change annually. Board and staff members will serve a term of up to three years, and then, will term out. After two years off the FAC, staff and board may apply to serve another term of up to three years.

This Fund Advisory Committee has the responsibility of vetting proposals for use of the Fund, evaluating those uses within the instruction and constraints as set by the board. The grant process will include a letter of intent (LOI) application in which the FAC shall carefully review all letters of intent. Selected organizations whose LOIs fulfill the scope, as set by the Board of Trustees, will then be invited to submit a full proposal for review. The FAC shall make recommendations for use of the Community Fund.

To qualify for grants from the Community Fund, prospective grant recipients must meet or exceed the Foundation's official vetting requirements and best practice criteria for nonprofits.

The Stewardship Committee shall review the completed process, grantees, and grant recommendations to ensure compliance with policy, then present the recommendations to a combined group of the Board of Trustees, Community Foundation Advisory Board, and Staff. Final recommendations are then sent to the Board of Trustees for review and approval. It is to be expressly understood that the Board of Trustees may alter the recommendations as the final authority on the use of the Community Fund. At least 10% of the spendable balance of the Fund will be retained in a separate reserve fund for emergency or unexpected community needs. Examples might include flooding, fires, and other crises.

Recommendations for grants from the Community Reserve Fund for emergencies or unexpected community needs may occur at any time with Board of Trustee approval.

If no assets in the Fund are distributed for a period of three years, the Stewardship Committee will make recommendations to the Board of Trustees on the disposition of these funds. The Board of Trustees, serving as the Advisory Committee for the Fund, may approve such recommendations or take other action for Fund asset distributions, in accordance with the Purpose section above, at their discretion.