

**THE BANFF COMMUNITY FOUNDATION
POLICY and PROCEDURE MANUAL**

TITLE: FUND POLICY			
Department:	GOVERNANCE	Section:	
Revised:	January 17, 2008	Policy No: 5	Page: 1 of 2
Date:	July 18,2005	Approval: Board of Directors	

POLICY

1.0 PHILOSOPHY

The foundation offers individual donors, family foundations, businesses and charitable organizations a number of ways to fulfill their philanthropic objectives in accordance with the by-laws of The Banff Community Foundation, and with the goal of supporting the well being of our community,

The administration and management effort varies for different types of funds. Fees will be charged in accordance with The Banff Community Foundation's Fee Policy.

2.0 TYPES OF ENDOWMENT FUNDS

2.1 The Community Endowment Fund

Any amount may be given to the community endowment fund. This is a pooled fund, held for general charitable purposes, enabling the foundation to respond to a broad range of community needs.

2.2 Operating Fund

Any amount may be given to the Operating Fund. This is an endowed fund that offsets the administrative costs of operating the foundation.

2.3 Field of Interest

A minimum donation of \$10,000. is required to establish a field of interest fund. A field of interest fund allows the donor to identify a general area of interest they would like to support. Examples include: Arts, Education, Environment, Health Heritage, Recreation or Social Services.

2.4 Designated Fund

A minimum donation of \$15,000. is required to establish a designated fund. A designated fund allows the donor to specify which particular charity(ies) they would like to support. In some cases, Donors may change their designated recipient(s).

If a charity significantly changes its focus, or merges with another, or closes its doors, or the purpose it serves becomes obsolete, and in the absence of donor instructions, the foundation will adjust disbursements to the nearest similar purpose to the original intent of the donor.

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2.5 Donor Advised Fund

A minimum donation of \$25,000. is required to establish a Donor Advised Fund. The donor may choose to have ongoing participation in the selection of charities who will benefit from the gift.

2.6 Emerging Fund

A donation of any amount may be made to an Emerging Fund. Donors who wish to establish one of the foregoing funds but whose initial gift does not meet the minimum donation amount, may pledge to meet the minimum donation levels as described above, within five years of the initial gift. Until such time as the pledge is fulfilled and the minimum donation is achieved, the Emerging Fund will be held in the Community Fund.

3.0 TYPES OF FLOW THROUGH FUNDS

3.1 Unrestricted

Any amount may be given to the flow-through fund. This is a non-endowed fund whereby money is received by the foundation and granted to a charitable organization in accordance with regulations provided by Canada Revenue Agency (CRA) and the foundation Grant Distribution policy

3.2 Restricted

Flow through funds may have donor directions attached to them.

4.0 DONOR RECOGNITION

In every case of fund acceptance, The Banff Community Foundation will work with the donor to understand their wish for anonymity or recognition.

5.0 GRANDFATHER CLAUSE

This policy is effective immediately. All existing funds of whatever category will be permitted to retain their pre-existing fund status under this clause.

6.0 EXCEPTIONS

Exceptions will exist as recommended by the Executive Director and approved by the Board.