



**Community Foundation**  
for Kingston & Area

## **Fund Administration Fees Policy**

Approved: January 28, 2020

### **Policy Statement**

The Community Foundation for Kingston & Area ('the Foundation') will charge each fund under its care an administration fee to cover the costs of fund administration, investing, reporting and granting.

The fee will be a percentage of the market value of the fund (or flow through gift) or a set minimum amount.

Fees are subject to change from time to time by action of the Foundation's Board of Directors.

### **Administration Fees**

Fees on endowment funds will be charged at the end of each quarter (March, June, September, December). Funds will be charged one fourth of the appropriate fee based on the market value of the fund or the total minimum annual fee. This fee will commence in the first full quarter of the fiscal year that the fund is established.

Fees on flow through gifts/funds will be charged at the time of the gift.

Fees will be charged according to the schedule set out below. If there are special services required that make for additional staff work or costs to the Foundation for managing a particular fund, or receiving an in-kind gift, appropriate additional fees may be charged.

The Foundation's administrative fee will be charged in addition to investment management fees charged by the Foundation's investment management firm. These fees will be reported separately on donor fund statements. Currently, our investment management fees are charged at only 10 basis points (0.1%).

The Executive Director has the authority to negotiate fees within the guidelines of the fee schedule below, in consultation with the Treasurer. In particular, should any individual fund balance reach over \$1M, a reduced rate of 1.0% can be considered at the request of the donor, by the Executive Director in consultation with the Treasurer.

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### Current Fee Schedule:

| Type of Fund                                   | Annual Fee                            | Notes  |
|--|---------------------------------------|--|
| <b>Traditional Endowment Funds</b>             |                                       |  |
| Community Fund                                 | 1.5%                                  | Minimum fund balance \$10K   |
| Field of Interest Fund                         | 1.5%                                  | Minimum to establish \$10K   |
| Donor Designated                               | 1.5%                                  | Minimum fund balance \$10K; up to 5 grant cheques per year, above which additional fees may apply.   |
| Agency Fund                                    | 1.5%                                  | Minimum fund balance \$10K   |
| Donor Advised Fund                             | 1.5%                                  | Minimum to establish \$25K; up to 5 grant cheques per year, above which additional fees may apply.   |
| <b>Enhanced Spending or "Spend Down Funds"</b> |                                       |  |
| Community Fund                                 | 1.5%<br>or min. of \$150              | Minimum to establish \$25K   |
| Field of Interest Fund                         | 1.5%<br>or min. of \$150              | Minimum to establish \$25K   |
| Donor Designated Fund                          | 1.5%<br>or min. of \$150              | Minimum to establish \$25K; up to 5 grant cheques per year, above which additional fees may apply.   |
| Agency Fund                                    | 1.5%<br>or min. of \$150              | Minimum to establish \$25K   |
| Donor Advised Fund                             | 1.5%<br>or min. of \$150              | Minimum to establish \$50K; up to 5 grant cheques per year, above which additional fees may apply.   |
| <b>Other Fund Types</b>                        |                                       |  |
| Operating Endowment Fund                       | 0%                                    | No admin fee charged because all earned income goes to support the Foundation's operations.  |
| Agency Managed Fund                            | 1.0 – 2.0%<br>(based on size of fund) | Managed Fund Agreements are only available for registered charities and must be approved by the Board.<br><br>Min fund balance \$50K<br><br>Fees charged according to the following scale:<br>2.0% for funds less than \$500K<br>1.5% for funds with balances \$500K - \$999K<br>1.0% for funds with balances greater than \$1M  |
| Flow Through Gift/ Funds                       | Normally 2.0%<br>or a min. of \$250   | For stock or mutual fund donations, additional brokerage transaction fees may also apply.<br><br>Service fee is charged at the time of the gift. This service fee is waived when the flow through gift is made to an existing endowment fund, depending on size and complexity of gift.<br><br>For donations with complex transactions or where a significant number of cheques (more than five) will be required, additional fees (to be agreed at time of donation) may also apply. Any such fees will be taken off and admin fees calculated on the balance.<br>Foundation staff should be consulted prior to making any flow through donation. |

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Approved by: Board of Directors

Date: January 28, 2020

Signed: Foundation President

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Foundation Secretary

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