



Procedures for Establishment of Funds and Supporting Organizations

All of the separate funds of Wichita Foundation (WF) are subject to the provisions of WF's Bylaws regarding presumptions of donor's intent and WF's variance powers. WF accepts and maintains the following types of funds:

DONOR ADVISED FUNDS

A Donor Advised Fund is a fund established by an individual, corporation, or private foundation. The donor or persons designated by the donor may make non-binding recommendations to WF on the use of funds, income from the fund and, in some cases, principal, will be distributed at the discretion of the WF Board after considering the recommendations of the donor.

Establishment and Operation

- A permanent or non-permanent fund may be established with a contribution of \$10,000. The donor has two years to reach the \$10,000 minimum. No distributions can be made from a fund until the minimum contribution has been reached. Funds that do not reach the required minimum within two (2) years shall, at the option of the donor, be expended within one (1) year or transferred to WF's unrestricted fund.
- The donor may name successor advisors to act upon his/her death. Successor advisors may also name successor advisors but will be limited to the number of original successors appointed. If, at the death of the donor(s), there are no named successor advisors or written recommendations from the donor as to the future use of the fund, the fund will be transferred to the WF unrestricted fund to be used for general charitable purposes.
- Funds will be assessed an annual fee based on the WF administrative fee schedule. Funds with a balance below \$10,000 will be charged an annual fee of \$200.

DESIGNATED FUNDS

Designated Funds are funds whose beneficiary organization(s) have been specified by the donor at the time of the gift. Income from the fund and, in some cases, principal, is distributed in accordance with the instructions provided at the time of the gift. If a designated organization ceases to exist or the purposes for which a fund was created becomes obsolete, the WF Board of Directors may redirect the fund to best achieve the original intent of the donor.



DESIGNATED FUNDS (CONT.)

Establishment and Operation

- A permanent or non-permanent fund may be established with a contribution of \$10,000. The donor has two years to reach the \$10,000 minimum. No distributions can be made from a fund until the minimum contribution has been reached. The organization(s) designated by the donor have no control over the distributions from the fund. Funds that do not reach the required minimum within two (2) years shall be expended within one (1) year consistent with the donor's original intent.
- Funds will be assessed an annual fee based on the WF administrative fee schedule. Funds with a balance below \$10,000 will be charged an annual fee of \$200.

FIELD OF INTEREST FUNDS

Field-of-Interest Funds are funds dedicated to a particular field or fields of charitable interest. They are funded by contributions from individuals, corporations, and private foundations in response to the donors' and/or WF's interests. Income from the funds and, in some cases, principal, will be distributed at the direction of WF to the range of institutions that serve a charitable field. The WF Board exercises full discretion in grant making, although provisions for non-binding recommendations from donors are possible.

- Funds will be assessed an annual fee based on the WF administrative fee schedule. Funds with a balance below \$10,000 will be charged an annual fee of \$200.

SCHOLARSHIP FUNDS

A Scholarship Fund is a field of interest fund dedicated to the education of a particular class or group of individuals. The donor determines the nature of the scholarship and the criteria for eligibility at the time the fund is established. All Scholarship Funds are subject to the adopted WF Policies and Procedures for Scholarship Funds.

Establishment and Operation

- A permanent or non-permanent fund may be established with a contribution of \$25,000. The donor shall have two years to reach the minimum. No distributions can be made from the fund until the minimum contribution has been reached. Should it be determined that scholarship administration will require a significant amount of staff time, an additional fee may be charged. Funds that do not reach the required minimum within two (2) years shall be expended within one (1) year consistent with scholarship guidelines.
- Funds will be assessed an annual fee based on the WF administrative fee schedule. Funds with a balance below \$25,000 will be charged an annual fee of \$500.



UNRESTRICTED FUNDS

Unrestricted Funds are fund established to meet whatever charitable needs and opportunities deserve community priority. Income from the funds and, in some cases, principal, is distributed at the discretion of the WF Board of Directors. In appropriate circumstances, income from the funds can be applied to WF operating costs.

Establishment and Operation

- A permanent or non-permanent fund may be established with a contribution of \$10,000. The donor has two years to reach the \$10,000 minimum. No distributions can be made from a fund until the minimum contribution has been reached. Funds that do not reach the required minimum within two (2) years shall be transferred to WF's unrestricted fund for its general charitable purposes.
- Funds will be assessed an annual fee based on the WF administrative fee schedule. Funds with a balance below \$10,000 will be charged an annual fee of \$200.

AGENCY FUNDS

Agency Funds are funds established by a non-profit organization solely for its own benefit. Fund assets are the property of WF and the Foundation has ultimate authority and control over the fund. Income from the fund and, in some cases, principal, is distributed annually to support the organization creating the fund. The funds are normally open to others for contribution.

Funds will be assessed an annual fee based on the WF administrative fee schedule.

Establishment and Operation

- A permanent or non-permanent fund may be established with a contribution of \$10,000. The agency has two years to reach the \$10,000 minimum. No distributions can be made from a fund until the minimum contribution has been reached. Funds that do not reach the required minimum within two (2) years shall be expended within one (1) year consistent with the donor's original intent.
- Funds will be assessed an annual fee based on the WF administrative fee schedule. Funds with a balance below \$10,000 will be charged an annual fee of \$100.

SUPPORTING ORGANIZATIONS

A Supporting Organization is a 501 (c) (3) charity that is classified as a public charity rather than a private foundation because it 'supports' a public charity such as the Wichita Foundation. Requests to establish a Supporting Organization will be reviewed by the Board of Directors for consistency with WF's purposes and specific charitable needs.



SUPPORTING ORGANIZATIONS (CONT.)

The Supporting Organization continues to retain control over charitable disbursements but may receive grant recommendations from WF as well as services.

Establishment and Operation:

The minimum contribution necessary to establish a Supporting Organization with the WF is \$500,000 in assets. An administrative fee of 1% will be charged for services provided plus incidental expenses incurred in the administration of the Supporting Organization.

Adopted July 17, 1996

Amended February 25, 2004

(Rev. 08/2008)

INACTIVE FUND POLICY

In the event the fund is not active after three years of the anniversary date, or, if the fund falls below the minimum fund balance as required in the Procedures for Establishment of Funds and Supporting Organizations Policy, Foundation staff will contact the donor(s) with options to keep the fund active or other options, including but not limited to the following:

- a) Increase the balance of the fund above the minimum required balance within the next six months.
- b) Transfer the balance to the Unrestricted Fund to benefit the community of Wichita in perpetuity through the work of the Wichita Foundation's Grants Committee.
- c) Distribute the balance in its entirety and close the fund.

If the Foundation makes at least four (4) attempts to contact the Donor(s) over a one year period and does not receive a response, the Foundation will initiate distributions from the fund in accordance with the provisions of the fund agreement.

Adopted April 27, 2016