

Fund Fees

The Community Foundation of Anne Arundel County (CFAAC) assesses a fee to help defray the costs associated with the administration of a fund. Administration fees cover fund management, such as due diligence procedures, the receipt and acknowledgment of contributions, processing and payment of grants, and compliance with federal and state reporting requirements. Fees also support online fund access through *FundManager* and most of CFAAC’s extensive donor services designed to enhance advisors’ giving and philanthropic experience.

Below are the rates for the variety of fund options available:

Donor Advised and Corporate Advised Fund

<i>Fund Size</i>	<i>Annual Fee</i>	
	<i>Non- Endowed</i>	<i>Endowed</i>
Up to \$1,000,000	1.50%	1.00%
\$1,000,001 - \$2,000,000	1.25%	0.50%
\$2,000,000 - \$5,000,000	1.00%	0.50%
\$5,000,001 - \$10,000,000	0.75%	0.50%
Over \$10,000,000	0.50%	0.50%

Designated and Field of Interest Fund

<i>Fund Size</i>	<i>Annual Fee</i>	
	<i>Non- Endowed</i>	<i>Endowed</i>
Up to \$500,000	1.50%	1.00%
\$500,001 to \$1,000,000	1.00%	1.00%
\$1,000,001 to \$10,000,000	0.75%	0.50%
Over \$10,000,000	0.50%	0.50%

Scholarship Fund

<i>Fund Size</i>	<i>Annual Fee</i>	
	<i>Non- Endowed</i>	<i>Endowed</i>
Up to \$500,000	1.50%	1.00%
\$500,001 to \$1,000,000	1.00%	1.00%
\$1,000,001 to \$10,000,000	0.75%	0.50%
Over \$10,000,000	0.50%	0.50%

**The minimum fund value for a scholarship program managed by CFAAC is \$250,000. Endowed Scholarship Funds may be established with a gift of \$25,000. Annual scholarship distributions are paid directly to the educational institution and not to individuals.*

Agency Endowed Fund

These permanent funds are specifically for nonprofits. The fund minimum for an Agency Endowed Fund is \$25,000. Only endowed funds are accepted. A fee of 1% per year will be assessed, 0.50% over \$1,000,000.

Expendable Designated Legacy Fund

Funds that are established through a will or bequest in which the total value of the fund will be immediately dispersed to pre-approved, qualified 501(c)(3) organizations. The minimum value for an Expendable Designated Legacy Fund is \$250,000. A 1% administrative fee will be assessed at the time the fund is created and an additional 1% of the total value of the fund will be granted to CFAAC's *Fund for Anne Arundel* to support local grantmaking. The minimum administrative fee is \$2,500.

Charitable Remainder Trusts (where CFAAC is trustee)

A planned gift which includes specific language naming the Community Foundation of Anne Arundel County as the trustee of a Designated Fund at CFAAC. A 1% fee will be assessed when the trust is created. Additional fees will be charged to cover legal fees to draw from the trust and for annual tax preparation.

Fee Policies

Unless specifically described in an associated Administrative Agreement, administrative fees are assessed quarterly in March, June, September and December and are calculated as follows: Average month-end balance of the previous three months multiplied by the annual fee percentage and divided by four.

Additional terms may be set for some funds, such as those requiring additional or special services.

All funds are subject to a minimum annual fee of \$150.

New funds are assessed a set-up fee of \$250.

Each fund is subject to its share of Mason Investment Advisory Services investment management fee, which is between 0.25 - 0.50%. For example in 2022, the annual fee was 0.26%, prorated and charged monthly to the fund. As with the fund fees, the recalculation at time of charge allows for decreased fee if the balance of the fund has lowered due to grant activity.

CFAAC reserves the right to increase or decrease fees from time to time and will notify the Fund Advisor of any changes affecting the Fund.

Funds may accept credit card donations online via CFAAC's website. All gifts are subject to the transactional fee charged by the financial institution.

For additional information about CFAAC's administrative fees, contact our Director of Finance & Operations, Kathy Luthcke, CPA, CGMA at 410.280.1102 x 105 or via email at kathy@cfaac.org.