



# Fast Facts

## Rochester Area Community Foundation

### Our Mission

*We empower donors and community partners to strengthen our region through philanthropy.*

### Our Vision

*We lead boldly to realize a more equitable, inclusive, and vital region by:*

- Encouraging generosity and civic unity;
- Addressing urgent and persistent challenges;
- Engaging donors, nonprofits, and other advocates;
- Escalating strategic responses and resources;
- Elevating broad community voice; and
- Inspiring positive, enduring community change.

### For Information:

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Rochester Area Community Foundation, in partnership with generous philanthropists and community partners, works to improve the quality of life for people who live and work in the eight-county region through its leadership and strategic grantmaking.

Known as the steward of charitable funds and endowments, the Community Foundation connects donors with the region's current and evolving needs in an effort to lead and inspire positive, enduring community change. As a leading grantmaker, the Community Foundation is now focused on two broad goals:

**Creating an Equitable Community:** Working to close academic achievement and opportunity gaps; fostering racial and ethnic understanding and equity; and partnering against poverty to help neighbors in need.

**Strengthening Our Region's Vitality:** Supporting vibrant and diverse arts and cultural offerings; preserving our region's rich historical assets; and promoting successful aging.

The Community Foundation and many donors make continuing investments in our region's quality of life by building and caring for permanent endowments that will help future citizens meet needs we can't even imagine today.

Please call 585.271.4100 or visit [www.racf.org](http://www.racf.org) today.

<b>Founded:</b>	<b>1972</b>
<b>Number of Funds:</b>	<b>1,442</b>
<b>Charitable Assets:</b>	<b>\$ 582 million</b>
<b>Endowed Assets:</b>	<b>\$ 390 million</b>
<b>Annualized Endowment Return Since Inception:</b>	<b>8.7% net of fees</b>
<b>Grants Since 1972:</b>	<b>\$690 million</b>
<b>Awarded Last Year:</b>	<b>\$39.2 million</b>
<b>President and CEO:</b>	<b>Simeon Banister</b>
<b>Board Chair:</b>	<b>David R. Ferris, Esq</b>



# THE COMMUNITY FOUNDATION

## The Power of Endowment

A Gift, its Growth, and the Subsequent Grants From It

	10 Years		25 Years		50 Years	
Endowed Gift Amount	Grants Issued*	Fund Value**	Grants Issued*	Fund Value**	Grants Issued*	Fund Value**
\$25,000	\$12,720	\$33,598	\$36,459	\$50,820	\$112,797	\$106,405
\$100,000	\$50,943	\$134,292	\$145,837	\$203,279	\$451,187	\$425,622
\$500,000	\$254,715	\$671,958	\$729,185	\$1,016,397	\$2,255,937	\$2,128,110
\$1,000,000	\$509,431	\$1,343,916	\$1,458,371	\$2,032,794	\$4,511,875	\$4,256,219

\*Estimate of cumulative grants based on 5% annual payout.

\*\*Estimated market value based on 3% ROI net of fees and grants.

 Investment and Growth  
 Cumulative Grants and Services



Year 1



Year 10



Year 25



Year 50

# How is my grantmaking amount calculated?

## Spending Policy

To ensure that your endowment fund lasts forever, the principal remains intact. It is invested prudently for growth, and you recommend grants from the income. The combination of the interest, dividends and appreciation you receive is the “total return” for your fund. We have an approved spending policy that determines how much of the fund can be granted out each year. Our spending policy allows 5% to be spent, but rather than just a straight 5%, it is actually 5% of a 20-quarter rolling average of the fund’s assets.

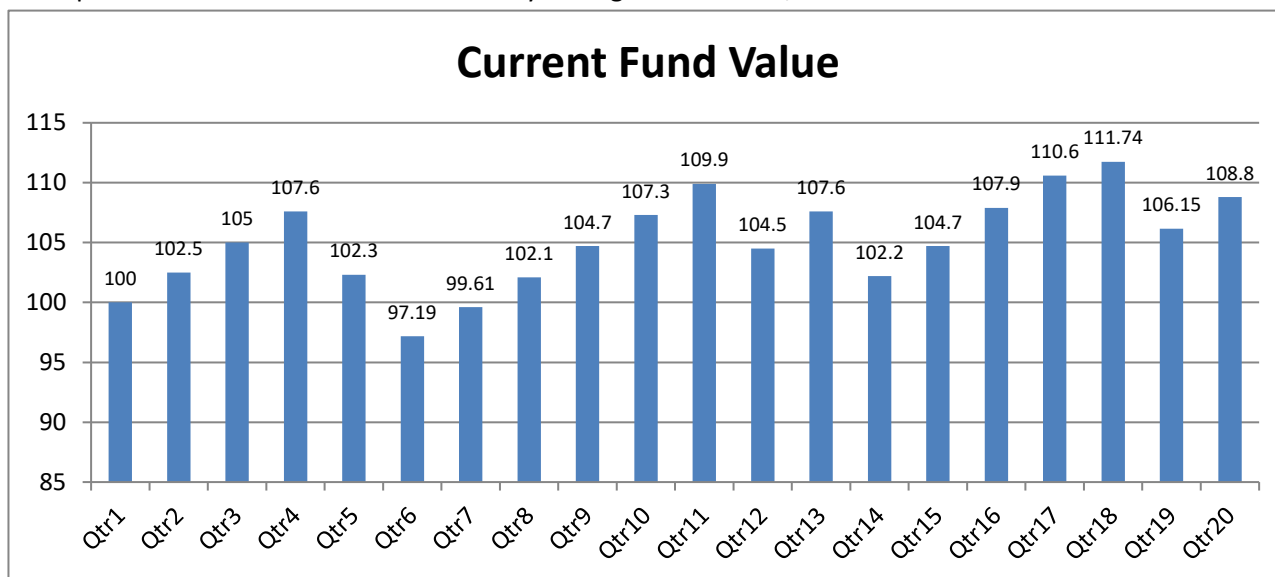
## 20-Quarter Rolling Average

Since your fund is invested, the fund balance will rise and fall daily as the investment values change. At the end of each quarter, we look back for 20 quarters (5 years) and calculate the average value of our funds to smooth out the ups and downs of the investment markets. This provides you with a relatively equal amount each year for your grantmaking.

## Why This is Important

Having an equivalent amount to grant out each year helps you plan your charitable giving. Without the 20-quarter rolling average, you could have large amounts to grant in years with good investment performance, and much less in years with poor performance.

Example: An Endowment Fund started five years ago with a \$100,000 contribution is shown below.



The Current Fund Value rises and falls with the performance of the investments. In this example, the fund has been as low as \$97,000 and as high as \$111,000. The Average Fund Value over the 20-quarter period is \$105,000. Each quarter, a calculation takes place to determine how the Current Fund Value compares to the Average Fund Value.

- When Current Fund Value is **higher** than the average, **you will receive less** than 5% annually.
- When Current Fund Value is **lower** than the average, **you will receive more** than 5% annually.
- When Current Fund Value is lower than the initial \$100,000 contribution, you will receive interest and dividends only. In Quarters 6 and 7, the Current Fund Value was less than the initial contribution so the full calculated amount (spending policy) would not be received. The interest and dividends paid out may be as little as 10% of the normal amount for grant making.

### **Example: Annual Payout**

In the example above, the calculated grantmaking amount would vary much more without the use of the 20-quarter rolling average. There is only \$15 difference between the low point and high point with the rolling average approach. That difference would be 30 times higher, or \$451, if we just calculated 5% each quarter.

Year	With 20-quarter rolling average	Without 20-quarter rolling average
1	\$5251	\$5189
2	\$5241	\$5015
3	\$5254	\$5330
4	\$5256	\$5280
5	\$5248	\$5466
Range	\$15	\$451

### **History of our Spending Policy**

Over the past 32 years, the actual annual spending policy payout has ranged from 3.82% to 6.00%. This allows us to accommodate significant highs and lows in investment performance while keeping grant dollars steady.

	Community Foundation Fiscal Year End	Spending Policy Payout for Year	Avg Spending Policy Payout for 5 years	Dow Jones Industrial Average Balance
1	3/31/2023	5.49%		33274
2	3/31/2022	4.58%		34678
3	3/31/2021	4.92%		32981
4	3/31/2020	5.19%	4.97%	21917
5	3/31/2019	5.00%		25929
6	3/31/2018	4.71%		24103
7	3/31/2017	4.97%		20663
8	3/31/2016	4.98%		17685
9	3/31/2015	4.56%	4.95%	17776
10	3/31/2014	4.48%		16458
11	3/31/2013	4.79%		14579
12	3/31/2012	5.28%		13212
13	3/31/2011	5.65%		12320
14	3/31/2010	5.84%	5.53%	10325
15	3/31/2009	6.00%		7609
16	3/31/2008	5.67%		12262
17	3/31/2007	5.50%		12354
18	3/31/2006	4.66%		11109
19	3/31/2005	4.92%	5.11%	10504
20	3/31/2004	5.27%		10357
21	3/31/2003	5.91%		7992
22	3/31/2002	5.01%		10362
23	3/31/2001	4.47%		9878
24	3/31/2000	4.18%	4.13%	10922
25	3/31/1999	4.16%		9786
26	3/31/1998	3.82%		8799
27	3/31/1997	4.24%		6583
28	3/31/1996	4.25%		5638
29	3/31/1995	4.56%	4.46%	4158
30	3/31/1994	4.37%		3636
31	3/31/1993	4.35%		3435
32	3/31/1992	4.30%		3235
33	3/31/1991	4.74%		2881
	<b>Average over 33 years</b>		<b>4.87%</b>	





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## Sample Statement for Doe Family Fund

### Fund Activity Statement April 01, 2019 – March 31, 2020

Depicts activity in the most recent quarter

Summarizes activity for the fiscal year beginning 4/1

Gifts to the fund – details on page 2

#### Endowment Account

	<b>Fourth Quarter Jan – Mar 19</b>	<b>Year To Date Apr – Mar 20</b>
Beginning Balance	\$194,546.05	\$201,373.56
Charitable Contributions*	0.00	9,866.40
Non-Charitable Contributions	0.00	0.00
Gain/(Loss) on Gift Transactions	0.00	32.29
Net Investment Return	17,111.07	7,022.51
Distributions to Grantmaking Account	(2,559.64)	(8,099.93)
Administrative Fee	(384.74)	(1,482.19)
Other Activity *	<u>0.00</u>	<u>0.00</u>

Difference between gift value, proceeds (ie. market price, commissions) & credit card fees

Spending policy distribution to grantmaking

#### Ending Balance

**\$208,712.74** **\$208,712.74**

Interest, dividends, realized & unrealized gains/losses

#### Grantmaking Account

	<b>Fourth Quarter Jan – Mar 19</b>	<b>Year To Date Apr – Mar 20</b>
Beginning Balance	\$3,435.98	\$6,945.69
Charitable Contributions *	0.00	0.00
Non-Charitable Contributions	0.00	0.00
Returned Grants	0.00	0.00
Gain/(Loss) of Gift Transactions	0.00	0.00
Distributions from Endowment	2,559.64	8,099.93
Grants *	0.00	(9,050.00)
Other Activity *	<u>0.00</u>	<u>0.00</u>

Miscellaneous activity – detailed on page 2

Grants made from the fund – details on page 2

#### Ending Balance

**\$5,995.62** **\$5,995.62**

\*Transaction detail attached

To see investment performance for the quarter go to [www.racf.org](http://www.racf.org) and click "About Us."

**Contributions to the Doe Family Fund**

02/12/2019	John and Jane Doe	<u>9,866.40</u>
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<b>Total Contributions</b>	<b><u>\$9,866.40</u></b>
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**Grants from the Doe Family Fund**

03/01/2019	Allendale Columbia School	(300.00)
03/01/2019	Teen Empowerment	(200.00)
03/01/2019	Geva Theatre Center	(2,700.00)
03/01/2019	Memorial Art Gallery at the University of Rochester	(4,000.00)
03/01/2019	George Eastman House	(350.00)
03/01/2019	Foodlink	(500.00)
03/01/2019	Rochester's Child/Current Needs Fund	(500.00)
03/15/2019	Quad A Fund/Current Needs Fund	<u>(500.00)</u>

<b>Total Grants</b>	<b><u>\$(9,050.00)</u></b>
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If a “#” sign appears, donor has requested that their name(s) NOT be listed in any publications.



THE COMMUNITY FOUNDATION

# Rochester **A**rea **C**ommunity **F**oundation Investment Policy



## Investment Policy Statement

The purpose of this investment policy (the Policy) is to establish a formal framework in which to manage endowment, quasi-endowment and similar investment assets of Rochester Area Community Foundation – (collectively, the Portfolio).

The Board of Directors of Rochester Area Community Foundation (the Community Foundation) has the fiduciary responsibility to establish the parameters under which the assets of the Community Foundation are managed. These parameters include risk levels, asset allocation, diversification guidelines, credit quality, and the selection of investment managers and/or consultants who will most effectively implement the investment plan. The Board of Directors has delegated its oversight to the Investment Committee of the Community Foundation. It is the role of the Investment Committee to provide oversight and stewardship of the assets entrusted to the Community Foundation by its benefactors. The Board of Directors and Investment Committee recognize that sound investment practices and procedural prudence are the keys to fulfillment of their fiduciary responsibility.

The Investment Committee shall review this Policy at least once a year and provide any recommended changes to the Board of Directors for its review and approval in order to assure consistency in attaining the goals and viability of the program.

This Policy outlines the following:

- Investment Philosophy and Mission
- NYPMIFA
- Asset Allocation
- Diversification Requirements
- Credit Quality
- Manager Selection and Review
- Statement of Spending Policy

### 1. Investment Philosophy and Mission

The Board of Directors and staff of the Community Foundation strive to exercise good stewardship of the assets entrusted to the Community Foundation. The investment of the Portfolio is made in accord with the following principles:

- A. **Mission of the Community Foundation** – Investments are made in accordance with the mission of the Community Foundation, to support its grantmaking, and insure the long-term viability of the organization.
- B. **Prudence** – In accordance with the concept of the prudent investor, this Policy is based on a flexible, balanced fund approach to

accomplish the goals of the Community Foundation and yield an appropriate return given the level of risk undertaken. The Community Foundation will use a total rate of return to establish its spending policy, as defined by this Policy. (Refer to *Funds Subject to Investment Policy: 1. Charitable Endowment Funds*.)

## **2. Fundamental Concepts**

The Board of Directors stresses an investment approach which seeks to grow the assets of the Community Foundation over time, preserve the purchasing power of the assets, control risk, and provide for the spending needs as specified by the spending policy of the Community Foundation or recommended by its donors. The Board of Directors and the Investment Committee recognize that:

- A. Inflation erodes the purchasing power of assets of the Community Foundation;
- B. Global economic growth is likely to continue;
- C. Any investment requires the assumption of risk.

The Investment Committee believes that the goals of capital appreciation, protection against inflation, and generation of sufficient income and returns for funding the spending policy of the portfolio can best be achieved by structuring a flexible, balanced fund approach.

### **The Policy shall cover the following investments:**

- Charitable Endowment Funds
- Charitable Investor Funds<sup>SM</sup>

In managing and investing the Portfolio, the Community Foundation may incur only costs that are appropriate and reasonable in relation to the Portfolio assets, the purposes of the Community Foundation, and the skills available to the Community Foundation. The Investment Committee shall make a reasonable effort to verify facts relevant to the management and investment in the Portfolio. Under certain circumstances, the Investment Committee may deem it necessary to delegate this to the Community Foundation's investment consultant.

## **3. New York Prudent Management of Institutional Funds Act**

As required by the New York Prudent Management of Institutional Funds Act (NYPMIFA), the Community Foundation considers the following factors when investing its assets:

- A. General economic conditions;
- B. The possible effect of inflation or deflation;

- C. The expected tax consequences, if any, of investment decisions or strategies;
- D. The role that each investment or course of action plays within the overall investment portfolio of the fund;
- E. The expected total return from income and the appreciation of investments;
- F. Other resources of the Community Foundation;
- G. The needs of the Community Foundation and the fund to make distributions and to preserve capital; and
- H. An asset's special relationship or special value, if any, to the purpose of the Community Foundation.

The Portfolio shall be invested with the care an ordinarily prudent person in a like position would exercise under similar circumstances. Investment of the Portfolio shall be so diversified as to minimize the risk of large losses, unless the Investment Committee prudently determines that, because of special circumstances, the purposes of the Portfolio are to be better served without diversification. The Investment Committee shall review a decision not to diversify as frequently as circumstances require, but at least annually.

The Investment Committee may employ one or more investment managers of varying styles and philosophies to attain this Policy's objectives. Any person who has special skills or expertise, or is selected in reliance upon the person's representation that the person has special skills or expertise, has a duty to use those skills or that expertise in managing and investing the Portfolio.

## **Investment Policy**

### **1. Asset Allocation**

Given the above stated goals, the Portfolio shall be managed as follows:

- A. Nominally, the equity pool of the Portfolio should be invested in common equities including domestic as well as international or non-domestic equities. No more than 5% of the total equity portion of the Portfolio shall be invested in the equity securities of any one issue. For purposes of determining this for mutual funds and limited partnerships used within the Portfolio, these investments shall not be considered the issuer of securities but rather the underlying investments within these funds will be used to calculate the overall equity position. Equities should be diversified by economic sector and in multiple industries to assure diversified exposure to various sectors of the economy.

Within the equity portion of the Portfolio the Investment Committee will consider diversification by style and market capitalization.

- B. Nominally, the fixed income pool of the Portfolio should be invested in fixed income securities as described below:
1. Investment Grade (as measured by a nationally recognized rating service such as Moody's or Standard & Poors), marketable corporate notes or bonds including convertible bonds.
  2. Non-investment grade securities.
  3. U.S. Government treasury or agency bills, notes or bonds including Treasury Inflation Protected Securities (TIPS).
  4. High quality, short-term money market instruments, certificates of deposit, commercial paper generally with an A1/P1 rating.
  5. High quality mortgage-backed securities.
  6. International bonds including developed and emerging market debt.
- C. In order to enhance investment results, the Community Foundation may elect to invest in alternative investment strategies including, but not limited to multi-strategy hedge funds, long/short equity hedge funds, private equity, real estate and REITS. These investments are made with the intention of raising the Community Foundation returns and/or lowering total volatility.

- D. Tax-exempt issues are not appropriate for the Portfolio by virtue of the Community Foundation's tax-exempt status.
- E. Individual manager or fund liquidity should be limited to residual cash and income received. In general money market positions should be 5% or less.
- F. Except as set forth in C above, managers may not employ leverage, margin, short sales or buy/sell uncovered options without the express prior written permission of the Investment Committee.
- G. Assets will be re-balanced by the staff to meet the asset allocation requirements as directed by the Investment Committee as defined in the *Current Investment Operating Guidelines*.

## **2. Implementation**

Generally, portions of the Portfolio will be managed by independent investment managers with full discretion subject to the objectives and constraints imposed in this Policy. The fixed income portion of the Portfolio may be managed by investment advisors and/or laddered by maturity in a buy/hold strategy directed by the Investment Committee. Alternative investments may be managed by individual managers or fund of fund managers.

The investment managers shall be reviewed at least annually by the Investment Committee or its delegated consultant as requested by the Investment Committee to review their Portfolio holdings, transactions and investment performance. Securities will, whenever possible, be held in a custodial arrangement with an independent custodian unless there is prior approval of the Investment Committee. Monthly custodial statements shall be sent to the financial officer of the Community Foundation and will constitute the official valuation statement of the Portfolio. Each investment manager is required to submit periodic reports as determined by the Investment Committee and the staff.

Certain Community Foundation investments may be part of a co-mingled fund or limited partnership. In such cases, securities may not be held by an independent custodian. The Investment Committee should favor investment managers who operate in a manner which would allow the Community Foundation's securities to be held by an independent custodian.

### 3. Due Diligence for Selecting Investment Managers

In order to accomplish the goals and objectives of the Community Foundation, it is important that the Investment Committee engage qualified and competent investment professionals to manage the Portfolio. The Investment Committee will consider the following factors when selecting investment managers:

- **Performance Adherence to Stated Investment Style** - The investment manager has a clearly articulated investment strategy and demonstrated discipline.
- **Performance Against Peers** - Time-weighted actual quarterly results, over the long-term, outperform peer group median.
- **Performance relative to assumed risk** - Evaluated using statistical measures such as Sharpe Ratio, Alpha, and Standard Deviation of returns.
- **Performance of Key Decision Makers** - Same portfolio manager (or portfolio management team) for 2-3 years, at least \$75 million under management.
- **Performance of Organization on Expense Control** - Expense ratio, fees, execution, and reasonable soft-dollar arrangements.
- **Performance of Overall Organization** - Stability, absence of regulatory problems, ability to handle growth.

The Investment Committee shall act in good faith, with the care that an ordinarily prudent person in a like position would exercise under similar circumstances in: selecting, continuing or terminating an investment manager, including assessing the investment manager's independence, including any conflicts of interest such investment manager has or may have; establishing the scope and terms of the delegation, including the payment of compensation, consistent with the purposes of the Community Foundation and the Portfolio; and monitoring the investment manager's performance and compliance with the scope and terms of the delegation. In performing a delegated function, an agent owes a duty to the Community Foundation to exercise reasonable care, skill and caution to comply with the scope and terms of the delegation.

It shall be the Investment Committee's responsibility to interview investment managers that have at least three years experience and track record and who have demonstrated skill in their defined area of expertise. Such responsibility may be delegated to an independent consultant. Recognizing that many good firms do not subscribe to AIMR (Association for Investment Management and Research) standards, the Investment Committee should strive to select managers that are AIMR compliant and composite returns should be audited.

Each investment manager is to be given a copy of this Policy and must agree to its terms unless there is a separate written agreement approved by the Investment Committee. Each manager shall compare its returns to an index that

is appropriate to its investment style, as agreed to by the Investment Committee and the respective investment manager. The Investment Committee will use the most appropriate active and passive indices.

#### **4. Evaluation and Termination of Investment Managers**

Investment managers will be evaluated on rolling 3- and 5-year periods based on their performance against their benchmark, client service and communications, adherence to the terms of the investment policy, continuity of key professionals and ownership structure, style discipline, and spending policy requirements.

The Investment Committee should use reports and data that enable comparison of performance to the appropriate benchmarks and peer managers by style. These reports should be provided to the Investment Committee on a quarterly basis, and should be regularly reported to the Board. Should the Investment Committee so determine, it may engage the services of a consultant to provide comparative data for the Investment Committee's consideration.

Investment managers that do not meet the expectations of the Investment Committee shall be given fair notice. It is important to recognize that there may be periods of underperformance by good managers. The Investment Committee must endeavor to monitor performance issues over the rolling 3- and 5-year periods to determine if an investment manager should be terminated.

In the case of hiring a new investment manager to replace a terminated manager, or the need to add an additional investment manager, the Investment Committee, acting as a whole or members thereof acting as an *ad hoc* committee, will interview and evaluate potential new investment managers. The Investment Committee may utilize and delegate the services of an outside consultant in the search process including the interview process. Hiring a new manager will require the approval of the Investment Committee. These actions should then be communicated to the Board of Directors.

#### **5. Implementing a Diversity Lens in our Investment Manager Selection**

This initiative is targeted toward our fiduciary duty to maximize risk-adjusted returns. To that end, the Investment Committee will appoint the best possible managers while ensuring that we actively consider qualified women and people of color. In keeping with the principles described by the Association of Black Foundation Executives (ABFE), a Philanthropic Partnership for Black Communities, our measure of success is not a target number of managers or assets. We believe that hiring a diverse pool of quality investment managers is essential for achieving the goal of maximizing returns: it demonstrates a focus on finding the best investment management talent and aligns with the mission of community philanthropy by helping to build wealth in communities of color and among women.

For tracking we will adopt the following definition of minority- and/or woman-owned investment management firms as one in which ownership is greater than 50% Asian, Black, Latinx, Pacific Islander, or Alaskan Native, or female.

The Investment Committee will engage in this effort in three ways:

- A. Asking the consultant to report, at least annually, on its efforts to expand its universe of managers to include firms with diversity in ownership. Further, the consultant will regularly report upon the diversity of its own staff and diversity initiatives.
- B. When proposing managers, the consultant will provide information on the firm's diversity in both leadership (i.e. race and gender representation in senior staff) and ownership (i.e. race and gender representation in ownership) as well as its Diversity Initiatives.
- C. Each year the Investment Committee will receive a report from the consultant on the percentage of the portfolio allocated to managers that are minority and/or woman owned (as defined above).



## **Funds Subject to the Investment Policy:**

### **1. Charitable Endowment Funds**

The Community Foundation's endowment and quasi-endowment funds are managed with a long-term horizon using the total rate of return approach. The assets are invested in the equity, fixed income and alternative investment pools of the Community Foundation using an asset allocation of 70% equities as defined by the equity pool's strategic sector allocation, 20% fixed income as defined by the fixed income pool and 10% alternative investments as defined by the alternative investment pool.

The Board of Directors and the Investment Committee believe that this asset allocation will maintain the purchasing power and future grantmaking capability of the endowment funds over the long term.

Funds expended for grantmaking and administration are included in the Community Foundation's spending under this Policy. The level of income available for grantmaking is set at five percent (5%) of the rolling twenty-quarter average market value of the Charitable Endowment Funds. This spending policy adjusts for unusual short-term market fluctuations, thereby giving predictability to future distributions. The amount of spending policy includes interest, dividends and appreciation. If a fund does not have enough appreciation to make spending policy, only interest and dividends are available for spending.

The Community Foundation has a separate administrative fee structure for endowment funds.

The Investment Committee shall act in good faith, with the care that an ordinarily prudent person in a like position would exercise under similar circumstances, and shall consider, if relevant, the following factors: the duration and preservation of the Charitable Endowment Funds; the purposes of the Community Foundation and the Charitable Endowment Funds; general economic conditions; the possible effect of inflation or deflation; the expected total return from income and the appreciation of investments; other resources of the Community Foundation; where appropriate and circumstances would otherwise warrant, alternatives to expenditure of the Charitable Endowment Funds, giving due consideration to the effect that such alternatives may have on the Community Foundation, and the investment policy of the Community Foundation. For each determination to appropriate for expenditure, the Community Foundation shall keep a contemporaneous record describing the consideration that was given by the Investment Committee to each of the factors enumerated above.

## **2. Charitable Investor Fund<sup>SM</sup>**

The Charitable Investor Fund<sup>SM</sup> (the CIF) allows the Community Foundation to consider the asset allocation request of the donor, such that the investment allocation will complement the charitable purposes and expected duration of the CIF. Both income and principal may be distributed for charitable purposes. Investments are pooled with the Community Foundation's endowment portfolio. They are divided among the equity pool, the fixed income pool and the alternative investment pool in varying asset allocation tracks selected for aggressive, long-term, balanced, moderate or conservative growth.

Each allocation track includes a five percent (5%) cash position for grantmaking liquidity.

### **Guidelines for Other Funds:**

#### **1. Expenditure Funds**

The Community Foundation will hold funds awaiting distribution or disbursement in an expenditure fund (the Expenditure Fund). Since these monies will be spent within a short period of time, the investment objective shall be to produce current income and have low expected variability of principal. The Expenditure Fund is expected to earn competitive yields or returns available in the money market or short-term fixed income market. We recognize that since the Community Foundation uses a total rate of return approach, changes in Net Asset Value (NAV) can have an adverse short-term effect on the operating budget of the Community Foundation.

This Expenditure Fund shall use institutional money market fund(s), short-term fixed income funds, and short-term U.S. Government treasury or agency securities. For the purposes of this policy, "short-term" will be defined as having a final maturity of three years or less.

The fund or funds used shall be of high average credit quality. Returns should be compared to an appropriate universe of similar funds such as the Donahue Domestic Money Market index. The staff will seek to earn competitive money market returns without exposing the Expenditure Fund to unnecessary or inappropriate risks.

No mutual fund shall hold more than 10% of its assets in any one issuer or single obligor, except obligations of the U.S. Government or any agency thereof. In addition, for any given fund, the Community Foundation's holdings shall not exceed 10% of the total assets of that fund.

## **2. Charitable Checking Account<sup>SM</sup>**

The Community Foundation holds certain contributions in the Charitable Checking Account<sup>SM</sup> (the CCA) until the donor directs distribution. Since these monies are expected to be spent within a short period of time, the investment objective calls for low risk or low expected variability of principal.

This CCA shall use institutional money market fund(s), short-term fixed income funds, and short-term U.S. Government treasury or agency securities. For the purposes of this Policy, "short-term" will be defined as having a final maturity of three years or less.

The fund or funds used shall be of high average credit quality. Returns should be compared to an appropriate universe of similar funds such as the Donahue Domestic Money Market index. The staff will seek to earn competitive money market returns without exposing the CCA to unnecessary or inappropriate risks.

No mutual fund shall hold more than 10% of its assets in any one issuer or single obligor, except obligations of the U.S. Government or any agency thereof. In addition, for any given fund, the Community Foundation's holdings shall not exceed 10% of the total assets of that fund.

## **3. Pooled Life Income Funds**

Contributions in the Community Foundation's Pooled Life Income Fund, a separate charitable trust, are pooled with other donations and invested for maximum current income and preservation of principal. Quarterly payments of income earned are made to the beneficiaries. After the lifetime of the beneficiaries, the remainder is paid to the Community Foundation for charitable purposes. The administration of this trust is not subject to NYPMIFA.

The Community Foundation pays all administrative and investment management expenses so that the entire yield is paid to the beneficiaries until the fund matures. The trustee, Bank of America, invests the Pooled Life Income Fund as follows: 70% in fixed income securities and 30% in a diversified portfolio of equities, with re-balancing to that asset allocation every quarter. A variety of common trust funds and mutual funds are utilized in the investment program.

The Investment Committee shall have oversight of the Trustee Bank's investment program and shall consider Bank of America's management in the context of the Community Foundation's policies on investment manager selection and monitoring (Sections 3 and 4 in the Investment Policy Section).

#### **4. Charitable Gift Annuity Funds**

Contributions of cash or publicly traded securities are exchanged for a lifetime stream of income guaranteed by the Community Foundation. The New York State Department of Insurance regulates charitable gift annuities including certain mandated reserve calculations and investment requirements. The Investment Committee has concluded that the annuities represent a long-term liability that should be matched with a long-term asset allocation. The asset allocation is 70% in a diversified portfolio of equities and 30% in fixed income securities. The portfolio will limit any one investment manager to 10% of the assets in the equity and fixed portfolio. The charitable gift annuity fund will take into account the present and future distribution needs to or for the beneficiaries, looking at risk, return and time horizon objectives. The Community Foundation has contracted with Bank of America Planned Giving Services for administration and investment management within the New York State regulations.



# THE COMMUNITY FOUNDATION

**INDEPENDENT INVESTMENT CONSULTANT  
MICHAEL A. MILLER, CFA**



Michael Miller is a founder and the Chief Investment Officer of Crewcial Partners (formerly Colonial Consulting, LLC). Mike provides the Community Foundation with advice on asset allocation, manager selection and performance evaluation/attribution. Mike has over 34 years of experience in the consulting business, all with Crewcial Partners.

Mike holds a BS degree in Computer Science and an MA degree in Statistics, both from Columbia University. He was also awarded the Chartered Financial Analyst or CFA designation.

Crewcial Partners is a New York-based firm which focuses on providing consulting services to not-for-profit institutions. We partner with Crewcial Partners' mission to invest in the greater good by uniting inspired capital with great investors to accelerate philanthropic impact. Approximately 90% of their client assets are held by endowments or foundations. The firm was founded in 1980 and is owned by its employees. At present, Crewcial has over 120 client relationships representing approximately \$32 billion in capital. Mike has been our investment consultant since 2003.

**Crewcial Partners Values:** We believe in building a better world for generations to come. We want our lives and our vocations to have purpose and lasting impact as we **strive** to invest in the greater good. ***Strive, a mnemonic for Service, Trust, Resilience, Inclusion, Voice, and Empathy, encapsulates our core values and steels our daily resolve to invest in the greater good by contributing to our clients' missions.***

**Crewcial Partners Mission:** Invest in the greater good by uniting inspired capital with great investors.

**Crewcial Partners Vision:** To accelerate philanthropic impact.



## THE COMMUNITY FOUNDATION

### Investment Committee Members

#### Mark Eidlin, Chair

Senior Vice President, Wealth Management Advisor

Eidlin-Kilmer & Associates Wealth Management Group at Merrill Lynch

Mark joined Merrill in 1992, and served as the complex sales manager from 2000 through 2008. Mark holds the following designations: Certified Private Wealth Advisor® (CPWA®) from the Investments & Wealth Institute, Chartered Retirement Planning Counselor<sup>SM</sup> (CRPC®) from the College for Financial Planning, Certified 401(k) Professional (C(k)P®) awarded by The Retirement Advisor University in collaboration with UCLA Anderson School of Management Executive Education and Certified Plan Fiduciary Advisor (CPFA). Mark is a graduate of Boston University with bachelor's degrees in both economics and political science and earned his MBA from Cornell University. He is also a graduate of the National School of Commercial Lending at Southern Methodist University's Cox School of Business and has been honored as Forbes "Best in State Wealth Advisors" from 2018-2021.

#### Committee Members

Abigail Bennett

Wildstar Partners LLC

Edward Bloom, Esq.

Partner, Harris Beach PLLC (retired)

Richard Gray

Managing Partner, Gray Locey CPA, P.C.

Michael Millard, CFM

Senior Financial Advisor, Merrill Lynch

Thomas Mucha

Managing Director and Chief Investment Officer

Pension Investments Worldwide at Eastman Kodak

Alan H. Resnick

President, Janal Capital Management LLC

Treasurer, Bausch and Lomb (retired)

David Still

Managing Director, Fishers Asset Management (retired)

Elizabeth Thorley

CEO and President, Thorley Wealth Management

Lori Van Dusen

Founder, LVW Advisors LLC



## THE COMMUNITY FOUNDATION

### **Rochester Area Community Foundation Investment Managers – September 30, 2023**

<b>645 Ventures</b>	<b>Khrom Capital</b>
<b>American Funds</b>	<b>Manning &amp; Napier Advisors, Inc.</b>
<b>Amplify Partners</b>	<b>Naya</b>
<b>Blue Wolf</b>	<b>Pertento Fund</b>
<b>Brown Capital</b>	<b>Post Advisory Group</b>
<b>Canandaigua National Bank</b>	<b>Precursor</b>
<b>Canyon</b>	<b>Raymond James</b>
<b>Colchester Global Investors, Inc.</b>	<b>Shine Capital</b>
<b>Define Ventures</b>	<b>Silchester</b>
<b>Dimensional Fund Advisors</b>	<b>Spark Capital</b>
<b>Dodge &amp; Cox</b>	<b>State Street Global Advisors</b>
<b>Expect Equity</b>	<b>Teleios</b>
<b>Four Rivers Group</b>	<b>Tompkins Financial Advisors</b>
<b>FPR Partners</b>	<b>The Vanguard Group</b>
<b>Genoa Ventures</b>	<b>Wellington Archipelago</b>
<b>Hengistbury</b>	<b>Wellington Management</b>
<b>Himalaya Capital</b>	<b>Westwood Global Investments</b>
<b>HS Management</b>	
<b>JPMorgan Chase</b>	





## THE COMMUNITY FOUNDATION

### ESG and Diversity at Crewcial Partners

Crewcial Partners created a new position in 2021 and hired Tuokpe Ajuyah as their Head of Environmental, Social, and Governance (ESG) and Mission Related Investments.

Crewcial has been working to bring ESG factors to the forefront of their discussions with all of their managers, whether they're an ESG-focused manager or not. This will be entering every facet of their analysis and is not an ad hoc effort.

Crewcial is gathering raw ESG data at the company level for all of their managers and will be presenting this data to the Investment Committee to serve as a baseline for our ESG investing and to aid in future decision making.

### Investment Policy Update

RACF Investment Policy was updated in 2021 to reflect increased attention and efforts to increase diversity of Investment Managers.

### Investment Manager Diversity

The Community Foundation has a fiduciary duty to maximize risk-adjusted returns. To that end, the Investment Committee will appoint the best possible managers while ensuring that we actively consider qualified women and people of color.

We believe that hiring a diverse pool of quality investment managers is essential for achieving the goal of maximizing returns: it demonstrates a focus on finding the best investment management talent and aligns with the mission of community philanthropy by helping to build wealth in communities of color and among women.

Allocations to Diverse Managers	US Domiciled	Non-US Domiciled	Total
Global Equities	5.1%	0.0%	5.1%
Fixed Income	0.0%	0.0%	0.0%
Alternatives	1.7%	4.8%	6.5%
Total	6.8%	4.8%	11.6%

Currently 11.6% of the Community Foundation's pooled portfolio is managed by diverse managers (an increase from 9% in 2021; 10.7% in 2022). We define diverse managers as those that are more than 50% owned by women and/or ethnically diverse individuals.

Industry Reports suggest less than 2% of assets are managed by diverse firms industry-wide.







# THE COMMUNITY FOUNDATION

## Rochester Area Community Foundation Investment Performance Since Inception

### Inception-to-Date Net Returns as of December 31 , 2023

	Return Since Inception	Inception Date	Number of Years
<b>RACF Total Equity Portfolio</b>	<b>9.7%</b>	<b>10/31/1990</b>	<b>32.9</b>
Equity Blended Benchmark	9.3%		
<b>RACF Fixed Income Portfolio</b>	<b>4.9%</b>	<b>10/31/1990</b>	<b>32.9</b>
Blmbg. U.S. Aggregate	5.0%		
<b>RACF Alternatives Portfolio</b>	<b>4.6%</b>	<b>9/30/2013</b>	<b>10.0</b>
HFRI Fund of Funds	3.6%		
<b>RACF Blended Endowment Portfolio</b>	<b>8.7%</b>	<b>10/31/1990</b>	<b>32.9</b>
70% RACF Total Equity Portfolio			
20% RACF Fixed Income Portfolio			
10% RACF Alternatives Portfolio			
Endowment Blended Benchmark	8.2%		





# THE COMMUNITY FOUNDATION

Investment Report as of December 31, 2023

<b>Annualized Performance Comparisons</b>	<b>1 Year</b>	<b>3 Years</b>	<b>5 Years</b>	<b>10 Years</b>
<i>RACF Domestic Equity Managers</i>	16.8%	7.0%	12.6%	9.8%
<i>RACF International Equity Managers</i>	18.3%	3.9%	7.0%	3.8%
<b><i>RACF Total Equity Portfolio<sup>1</sup></i></b>	<b>16.8%</b>	<b>5.6%</b>	<b>10.1%</b>	<b>7.4%</b>
<i>Equity Blended Index<sup>2</sup></i>	20.9%	5.3%	11.3%	8.2%
<b><i>RACF Fixed Income Portfolio<sup>1,5</sup></i></b>	<b>8.2%</b>	<b>-2.1%</b>	<b>2.1%</b>	<b>1.9%</b>
<i>Fixed Income Blended Index<sup>3</sup></i>	7.4%	-2.9%	1.6%	1.7%
<b><i>RACF Alternatives Portfolio<sup>1,5</sup></i></b>	<b>15.5%</b>	<b>5.5%</b>	<b>6.4%</b>	<b>4.2%</b>
<i>HFRI Fund of Funds<sup>4</sup></i>	6.6%	2.3%	5.2%	3.3%
<b><i>RACF Blended Endowment Portfolio<sup>1,5</sup></i></b> <i>70% RACF Total Equity Portfolio</i> <i>20% RACF Fixed Income Portfolio</i> <i>10% RACF Alternatives Portfolio</i>	<b>15.0%</b>	<b>4.2%</b>	<b>8.3%</b>	<b>6.2%</b>
<i>Endowment Blended Index<sup>6</sup></i>	16.7%	3.4%	8.9%	6.5%
<b>Comparative Indexes</b>				
<i>90-day Treasury Bill Index</i>	5.0%	2.2%	1.9%	1.2%
<i>Bloomberg Aggregate Bond Index</i>	5.5%	-3.3%	1.1%	1.8%
<i>Wilshire 5000 Equity Index</i>	26.1%	9.0%	15.4%	11.7%
<i>S &amp; P 500 Composite Index</i>	26.3%	10.0%	15.7%	12.0%
<i>MSCI EAFE Index</i>	18.2%	4.0%	8.2%	4.3%
<i>HFRI Fund of Funds Index</i>	6.6%	2.3%	5.2%	3.3%
<i>Consumer Price Index</i>	3.3%	5.8%	4.2%	2.8%

1. Performance is net of all consulting, custody and investment manager fees, currently averaging 0.87% of market value.
2. Equity Blended Index weights as of 5/1/2018 are 45% Wilshire 5000, 10% Russell 2000, 35% MSCI EAFE and 10% MSCI Emerging Markets; as of 09/1/2011 were 52.5% Wilshire 5000, 12.5% Russell 2000, 26.25% MSCI EAFE and 8.75% MSCI Emerging Markets; as of 12/31/09 they were 55% Wilshire 5000 Index, 15% Russell 2000 and 30% MSCI EAFE Index; as of 11/1/07 they were 75% Wilshire 5000 Index and 25% MSCI EAFE Index; as of 7/1/05 they were 80% Wilshire 5000 Index and 20% MSCI EAFE Index; prior to that the weights were 85% Wilshire 5000 Index and 15% MSCI Stanley EAFE Index.
3. Fixed Income Blended Index weights as of 12/31/13 are 35% Barclays Capital Aggregate, 15% Merrill High Yield, 20% Citigroup World Govt. Bond, 15% J.P. Morgan GBI-EM Global Diversified Index and 15% Barclays US TIPS; as of 12/31/08 the Fixed Income benchmark was the Barclays Capital Aggregate; as of 7/1/06 it was the Lehman Aggregate Bond Index; prior to that it was the Lehman Govt./Corp Intermediate Bond Index.
4. Alternative Investment benchmark as of 10/1/2013 is the HFRI Fund of Funds.



5. *As of 1/1/2014, RACF Blended Endowment Portfolio consists of 70% Total Equity, 20% Total Fixed Income and 10% Total Alternative Investments. As of 10/1/2013, we were invested 70% Total Equity, 25% Total Fixed Income and 5% Total Alternative Investment returns.*
6. *Endowment Blended Index weights as of 1/1/2014 are 36.75% Wilshire 5000, 18.375% MSCI EAFE, 6.125% MSCI Emerging Markets, 8.75% Russell 2000, 7% Barclays Aggregate, 3% Merrill High Yield, 4% Citigroup World Govt. Bond, 3% J.P. Morgan GBI-EM Global Diversified Index, 3% Barclays US TIPS and 10% HFRI Fund of Funds; as of 10/1/2013 they were 36.7% Wilshire 5000, 18.375% MSCI EAFE, 6.125% MSCI Emerging Markets, 8.8% Russell 2000, 8% Barclays Aggregate, 4% Merrill High Yield, 5% Citigroup World Govt. Bond, 4% J.P. Morgan GBI-EM Global Diversified Index, 4% Barclays US TIPS and 5% HFRI Fund of Funds; as of 9/1/2011 they were 36.7% Wilshire 5000, 18.375% MSCI EAFE, 6.125% MSCI Emerging Markets, 8.8% Russell 2000 and 30% Barclays Aggregate; as of 12/31/09 they were 47.5% Wilshire 5000 Index, 22.5% MSCI EAFE Index and 30% Barclays Aggregate Bond Index; as of 11/1/07 they were 52.5% Wilshire 5000 Index, 17.5% MSCI EAFE Index and 30% Lehman Aggregate Bond Index; as of 7/1/06 they were 56% Wilshire 5000 Index, 14% MSCI EAFE Index and 30% Lehman Aggregate Bond Index; as of 7/1/05 the weights were 56% Wilshire 5000 Index, 14% MSCI EAFE Index and 30% Lehman Govt/Corp Intermediate Bond Index; prior to 7/1/05 the weights were 60% Wilshire 5000 Index, 10% MSCI EAFE Index and 30% Lehman Govt/Corp Intermediate Bond Index.*

# Community **IMPACT** Grants

Distributed between July 1 and December 31, 2023, the following grants were made possible by unrestricted funds — also known as Forever Funds — established at the Community Foundation for broad community purposes. The names of those funds are on the last page.

## **Beechwood Neighborhood Coalition, \$20,000**

This volunteer group from a Northeast Rochester neighborhood seeks to conduct a cultural resource survey and nomination for historic district designation through the National Register of Historic Places. The result of this effort would make hundreds of Beechwood homeowners eligible for the state's Historic Homeownership Rehabilitation Credit and allow more longtime homeowners there to afford to keep up and preserve high-quality historic housing.

## **Genesee-Orleans Regional Arts Council (GO ART!), \$22,264**

The organization's building, Seymour Place, is a national historic landmark building that serves as a source of pride as the only remaining example of a business established in Genesee County in the early 19th century. Built in 1831 and formerly known as the Batavia Club, the building will now address needed historical and general improvements and make it accessible by installing an elevator and ramp.

## **Hillside Children's Foundation \$50,000**

The Community Service Program works closely with at-risk Livingston County youth ages 7 to 18 who have behaviors that may cause out-of-home placement or further involvement with the Juvenile Justice System. By teaching personal accountability, impulse control, and goal-setting in a collaborative, strengths-based approach, the program aims to prevent these individuals from future disciplinary actions and avoid getting into trouble again.

## **Rochester ENergy Efficiency and Weatherization (RENEW), \$50,000**

This collective impact initiative of the Community Foundation braids resources and works cooperatively with many partners to make homes of low-to-moderate income area homeowners more energy-efficient, healthier, and safer. This new funding will supplement investments in home improvements and help 10 to 15 additional households receive assistance.

## **The Children's Agenda, \$60,000**

Supports this organization's continued advocacy for effective policies and evidence-based solutions for the health, education, and success of children in the City of Rochester and Monroe County — especially those who are vulnerable because of their experiences with poverty, racism, health disparities, and trauma.

## **The Cobblestone Society, \$32,667**

Makes possible the restoration of eight windows in an 1834 cobblestone church, which is the oldest of its kind in the country and a vital part of the Cobblestone Museum complex in Albion, Orleans County. Funds also will be used to install half-round gutters to the front of the Blacksmith Shop, a venue that allows visitors to step back in time to the age of horse-drawn vehicles and equipment and understand the importance of the local blacksmith in the 19th century.

### **United Way of Orleans County, \$10,000**

Following up on the organization's "Community Conversations on Housing" series in February 2023, this funding will support creation of a Housing Action Strategy in coordination with key stakeholders. The goal is to develop a blueprint that will guide efforts to increase the availability of affordable housing for individuals and families from low-to-moderate income households.

### **Visually Impaired Advancement, \$20,000**

This Buffalo-based organization will embed a 211-outreach specialist for 18 hours a week within Community Action of Orleans and Genesee's office. This collaboration would enable the specialist to work with agency staff to directly provide individualized guidance to residents from Orleans and Genesee counties who are visually impaired and help them connect with appropriate services — from food and housing assistance to mental health resources.

### **Visual Studies Workshop, \$10,000**

"In This Moment: Revolution, Reckoning, Reparation" is a project that involves teams of Black writers and photographers profiling 10 Black leaders from Rochester, resulting in a series of 20-page booklets called "chapbooks" — one on each leader. Ten thousand of these booklets will be distributed for free to local students and community members through city, suburban, rural and charter schools, colleges and universities and through Rochester Public Libraries.

These **Forever Funds** provided support for the competitive grants listed. We are grateful to the donors who chose to take care of our region and its always-changing needs today and in the future.

Ann Connors Adler Fund  
William S. Allen Fund  
George and Vee Angle Community Impact Fund  
Marilyn J. Aten Memorial Fund  
Ben and Sylvia Atkin Fund  
Bruce B. Bates Forever Fund  
Alexander and Marcia Beach Fund  
Albert Beer Fund  
Chub and Ed Belcher Fund  
Bernstein, Neivert, Weinberg Family Fund  
Jim and Karen Boucher Fund  
Beverly T. Bowen Fund  
Joe and Helen Brown Fund  
Anna R. Bundschuh Community Impact Fund  
Catalysts for Change Fund  
Brackett and Ruth Clark Fund  
Mary W. Clark Fund  
Tom and Barbara Clark Forever Fund  
Tony H. and Gill R. Dechario Fund  
Howard and Marjorie DeNise Fund  
Discretionary Grant Endowment Fund  
Ebsary Charitable Fund  
Colonel William Hubbel Emerson Memorial Fund  
Matthew and Ruth Fairbank Family Fund  
B. M. Feinberg Fund  
Helen M. Fiske Memorial Fund  
Gertrude Ford Fund  
Mildred and Walter Fotch Fund  
Founders Fund  
Marion and Harry Fulbright Fund  
General Endowment Fund  
Giles Family Fund  
Phil and Jane Gilman Fund  
Edwin R. Glossner Fund  
Louis and Mildred Goldstein Fund  
Virginia D. Gordon Fund  
Samuel Greenberg Community Impact Fund  
Jean Edgcumbe Groff Memorial Fund  
John and AnneMarie Groth-Juncker Community Impact Fund  
Hallowell Community Impact Fund  
Glenn and Henrietta Hammond Endowment Fund  
Joseph and Margaret Harris Endowment Fund  
Lawrence C. Harris Fund  
Marvin and Nancy Hoffman Forever Fund  
Erma House Fund  
Virginia V. Howard Fund  
Wolcott J. and Patricia K. Humphrey Fund  
Daniel A. and Mary Louise Jones Fund  
Warren and Eunice Joslyn Fund  
Kate and Sol Karch Fund  
Clayton F. Kaul Fund  
Francis H. and Olive C. Kehoe Memorial Fund  
Shirley A. King Pay it Forward Fund  
Henry H. Kingston Fund  
Laurence J. Kirwan Fund  
Michael and Kathleen Kirwan Fund  
Margaret F. and Raymond A. Lander 2  
Alfred C. and Audrey F. Lawson Fund  
David B. Lederer Fund  
Sherman F. Levey Community Impact Fund  
Carleton Lindsay Fund

Georgianna M. Lovejoy Family Fund  
Lowenthal Family Fund  
Cricket and Frank Luellen Fund  
John F. Mahon Charitable Fund  
Lynny Manus Memorial Fund  
Thelma March Fund  
Ann M. Mayer Fund  
Ann and Patrick McCormick Unrestricted Endowment Fund  
Marjorie McDowell Fund  
Memorial & Honorarium Fund  
Sam Merrill Memorial Fund  
Robert A. Mertz Fund  
Mabel Messinger Fund  
Barbara H. and Richard P. Miller Fund  
Edith and Oran Miller Fund  
Paul and Louise Miller Fund  
Eleanor Eisenhart Morris Fund  
James S. and Ruth A. Moser Fund  
Ernestine W. Murray Community Impact Fund  
Dolores and Philip Neivert Fund  
Marion Weston Neun Fund  
Richard C. & Mary Anne Palermo Community Impact Fund  
Mary Z. and Lloyd C. Patchin Fund  
George and Elizabeth Peters Fund 2  
Richard Pine Memorial Fund  
Marion D. and Jane E. Piper Fund  
Henri and Bessie Projansky Fund  
Pulsifer Family Fund  
Raines Family Fund  
Thelma Rawcliffe Fund  
Elizabeth Rennert Community Impact Fund  
Frank and Norma Riedman Community Impact Fund  
Nathan Robfogel Discretionary Fund  
Patricia I. Robinson Fund  
Bernie and Irma Rumbutis Memorial Fund  
John B. Rumsey  
Richard and Vicki Schwartz Family Community Impact Fund  
Fred and Mary Schwartz Fund  
Select Fund  
Robert C. and Janice E. Silver Fund  
Dean V. Stanley Fund  
Harmon V. Strong Discretionary Fund  
Ann B. Swett Community Impact Fund  
Drs. Krishan and Jaimala Thanik Fund  
Maxine Tillotson Memorial Fund  
Thomas and Beverley B. Tulloch Fund  
Elizabeth Van Horn Community Impact Fund  
Ted and Joanne VanZandt Fund  
Adelaide and Bob Weinberg Family Fund  
Linda S. Weinstein Discretionary Fund  
Beulah M. and Mark W. Welch Fund  
Ethan and Janet Welch Fund  
Clement C. Wells Fund  
Marion and Ernest Whitbeck Fund  
Donald L. Wood Fund  
Tom and Pat Woodlock Fund  
Robert and Martha Young Fund



## Make a difference

Charitable giving is an investment and should be part of your overall financial plan. Inside, you'll find seven options to consider, and hopefully one that is right for you.

## How can I do it?

You've probably written a check or made an online donation to support causes and organizations that you are passionate about. Establishing a fund at the Community Foundation may allow you to get an immediate tax deduction and begin making a difference right away. You can be actively involved with your giving by recommending grants yourself, or you may delegate that responsibility to the Community Foundation to address pressing community needs as they arise. It's entirely up to you.

## How do I make a gift?

Your gift does not have to be cash. Assets that include stocks, bonds, life insurance, IRA proceeds, real estate, shares in closely held businesses, and more may offer you more tax advantages than only giving cash.

*"We wholeheartedly believe in the Community Foundation and are honored and blessed that our endowment will assist the needs of the elderly in our community."*



Randy and Marion  
Henderson

## Who We Are

Generous and passionate philanthropists have created more than 1,300 funds and endowments at Rochester Area Community Foundation to meet the current and changing needs of greater Rochester's eight-county region. Thanks to our donors, the Community Foundation has awarded more than \$615 million in grants and scholarships since our founding in 1972.

We believe it's important to  
Give where you Live<sup>SM</sup>.

## For More Information

Philanthropic Engagement  
Department

585.271.4100

Giving@racf.org



THE  
COMMUNITY  
FOUNDATION

500 East Avenue, Rochester, NY  
585.271.4100 • [www.racf.org](http://www.racf.org)



THE  
COMMUNITY  
FOUNDATION

# Current Giving Options



# Funds at a Glance

Our different types of funds offer you a choice between permanence and flexibility. Each of these is potentially a tax-advantaged, low-cost alternative to a private foundation. Most importantly, donors are able to access the grantmaking, fiduciary, and community expertise of our experienced professional staff.

	TYPE OF FUND	DESCRIPTION	BENEFITS TO DONORS	MINIMUM
CHANGING COMMUNITY	<b>Forever (Unrestricted)</b>	A flexible, future-oriented endowed fund established to meet a broad range of local needs today and tomorrow. Grants address pressing issues as they arise, support innovative ideas and programs, and strengthen nonprofit organizations.	Supports changing community needs in a name of the donor's choosing. The Community Foundation handles the grant research, administration, and distribution on the donor's behalf.	\$25,000
FAVORITE CAUSES	<b>Field of Interest</b>	An endowed fund to benefit causes important to the donor. The Community Foundation accepts proposals from nonprofits and recommends grants.	Matches grantmaking with donor interests. Allows flexibility to provide grants for new organizations and programs in the future.	\$25,000
	<b>Scholarship</b>	An endowed fund that provides scholarships to students. A committee recommends grants.	Allows donors to recognize outstanding students or those studying in a particular field. It is also an excellent vehicle for honoring or memorializing someone.	\$50,000
SPECIFIC CHARITIES	<b>Donor-Advised or Charitable Investor Fund<sup>SM</sup></b>	A fund established by a donor to support his or her charitable interests over time. The donor recommends grants.	Attractive alternative to private foundation. Offers flexibility, actively involves donors and successors in grantmaking, and can fund a legacy gift. Our Charitable Investor option allows you to choose your investment mix and spend both principal and income.	\$25,000 (DAF) \$50,000 (CIF)
	<b>Designated</b>	An endowed fund established by a donor to benefit one or more specified charities. The charities receive annual grants.	Endows annual giving, provides professionally managed support for smaller organizations, and will always support the cause even if an organization closes its doors.	\$25,000
	<b>Organization</b>	A fund established by a nonprofit to create an endowment. The nonprofit may receive an annual grant or reinvest income.	Organizations can create an endowment fund with professional management and low fees. Assistance is provided for planned giving and endowment building.	\$10,000
	<b>Charitable Checking Account<sup>SM</sup></b>	A fund that offers convenient current giving. The donor recommends grants. Fund principal is guaranteed.	Allows donors to make contributions to the fund as needed, then request grants to nonprofit organizations of their choosing.	\$50,000



## Create your legacy

Charitable planned giving is an investment and should be part of your overall financial plan. Inside, you'll find eight options to consider, and hopefully one that is right for you.

## Can I afford to do it?

Yes, you can. Planned giving allows you to support causes and organizations that you are passionate about, and it doesn't take millions of dollars. A small percentage of your estate — as little as five percent — would make a real difference in our community. You can give to an established charity, create a Forever Fund at the Community Foundation to help solve pressing community issues that are important to you, or contribute to our General Endowment Fund, which supports our community forever.

## How do I create a planned gift?

Your gift does not have to be cash. Assets that include stocks, bonds, life insurance, IRA proceeds, real estate, shares in closely held businesses, and more may offer you more tax advantages than only giving cash.



*"We are leaving a legacy gift to the Community Foundation because we believe in what the Foundation does and how it will help make a better community for everyone in the future."*

Karl Wessendorf and  
Nannette Nocon

## Who We Are

Generous and passionate philanthropists have created more than 1,300 funds and endowments at Rochester Area Community Foundation to meet the current and changing needs of greater Rochester's eight-county region. Thanks to our donors, the Community Foundation has awarded more than \$479 million in grants and scholarships since our founding in 1972.

We believe it's important to  
Give where you Live<sup>SM</sup>.

## For More Information

**Philanthropic Engagement  
Department**

585.271.4100  
[Giving@racf.org](mailto:Giving@racf.org)



500 East Avenue, Rochester, NY  
585.271.4100 • [www.racf.org](http://www.racf.org)



# Planned Giving Options



# Planned Giving at a Glance

Our different planned giving vehicles offer you ways to remember worthy causes while offering a range of benefits such as providing for your loved ones, creating current income, or possibly reducing taxes. Any may be used to create or add to a fund at the Community Foundation.<sup>1</sup>

	TYPE OF GIFT	DESCRIPTION	BENEFITS TO DONORS	MINIMUM
SPECIFIC CHARITIES	<b>Bequest</b>	A gift made through a will.	Simple to establish and typically requires an attorney to create. Sample language at <a href="http://racf.org/bequest">racf.org/bequest</a> .	Any amount <sup>1</sup>
	<b>Charitable Lead Trust Annuity (CLAT) <i>fixed amount</i> or Unitrust (CLUT) <i>fixed percent</i></b>	A trust that pays annual income to the Foundation and leaves the heirs a “remainder” after death.	Provides current income to a charity. Remainder passes to named beneficiaries after the donor’s death. Established with trustee of choice. <sup>2</sup>	\$100,000
	<b>Insurance</b>	A gift of a new or existing insurance policy (subject to the Community Foundation’s life insurance acceptance policy). The Foundation becomes the owner and beneficiary.	May provide an immediate tax deduction if there is cash value. Allows a larger gift with smaller cost.	Any amount <sup>1</sup>
	<b>Individual Retirement Account</b>	A gift through your required minimum distribution <sup>3</sup> or through IRA proceeds after death.	May provide a charitable deduction for the estate.	Any amount <sup>1</sup>
	<b>Life Estate</b>	A gift of a house or farm to the Foundation that allows donors to continue living there for the rest of their lives.	May provide an immediate partial tax deduction and remove a high-value asset from the estate.	\$200,000 <sup>4</sup>
CREATE CURRENT INCOME AND BENEFIT CHARITIES, INTERESTS, OR COMMUNITY	<b>Charitable Gift Annuity</b>	An annuity contract that pays one or two people (who must be 55 or older) a fixed annual income for the rest of their lives. After death, the remainder value is a charitable gift to the Foundation.	Provides current income and a possible partial tax deduction. Payments are made quarterly and are a fixed percentage based on the donor’s age when established. Income is partially tax free.	\$10,000 <sup>1</sup>
	<b>Pooled Income Fund</b>	A pool of funds that donors may invest in. Each donor receives a variable annual income based on their relative share of the pool. After death, the remainder value creates a charitable gift to the Foundation.	Provides current income and a possible partial tax deduction. Payments are made quarterly and are a varying percentage based on the market performance of the pool’s investments. Income is taxable.	\$10,000 <sup>1</sup> (may be added to later in increments of \$1,000 or more)
	<b>Charitable Remainder Trust Annuity (CRAT) <i>fixed amount</i> or Unitrust (CRUT) <i>fixed percent</i></b>	A trust that pays annual income to the donor and leaves a charitable “remainder” to the Foundation after death.	May provide a partial tax deduction. Removes an asset from the estate and provides current income. Established with trustee of choice. <sup>2</sup> Income is tax-advantaged.	\$100,000 <sup>1</sup>

March 2020

<sup>1</sup> A minimum remainder of \$25,000 is required to create a separate, named fund.

<sup>2</sup> The Community Foundation cannot act as trustee, but can be the recipient of a trust.

<sup>3</sup> Even under the SECURE Act, donors 70½ or older may direct up to \$100,000 each year from their IRAs to the Foundation through Qualified Charitable Distributions.

<sup>4</sup> Real estate must have a minimum value of \$50,000, and the gift must be reviewed and approved by our board of directors.

All invested funds may gain or lose value.