



Community Foundation

LORAIN COUNTY

people who care · causes that matter

Frequently Asked Questions

WHAT IS THE COMMUNITY FOUNDATION OF LORAIN COUNTY?

The Community Foundation of Lorain County is a public charity dedicated to making Lorain County a better place to live and work. Currently the 8th largest in the state of Ohio, the Community Foundation of Lorain County manages \$136M in donor funds and distributes \$5.6M each year in the form of grants and scholarships.

WHERE DOES THE MONEY COME FROM?

Anyone can be a donor to the Community Foundation. Donors may be individuals, families, groups, businesses, non-profit agencies, schools, churches and synagogues. Over 3,000 donations are received each year, and gifts are tax-deductible as allowed by law. Donors may choose to set up new funds or give to one of more than 650 existing funds.

HOW DOES AN ENDOWMENT FUND WORK?

The Community Foundation invests contributions with the goal of preservation and reasonable annual growth. Each year, a modest portion (4.25%) of the average market value of each fund is made available for grants and/or scholarships. Earnings in excess of this payout are reinvested into principal to keep the Funds

growing so they not only meet the needs of Lorain County today but also in the future. Based upon an average investment return of 7.0% and annual payout for grants, a \$10,000 gift will grow to nearly \$14,600 in 25 years and during that same time frame, will distribute more than \$12,825 as charitable grants.

HOW DO I SET UP A FUND?

With a gift of \$10,000, a donor can establish a named fund (\$25,000 for scholarship funds) for almost any charitable purpose (elder care, environmental issues, the arts) and at any of various levels of involvement. Gifts can include cash, stock, insurance – almost any type of asset for which a value can be established. Gifts can also be made in honor of (or in memory of) a loved one.

HOW DO I APPLY FOR A GRANT OR A SCHOLARSHIP?

Grants are made to support charitable programs in the areas of Arts & Culture, Civic Affairs, Education, Health, and Social Services. Six separate grant cycles occur, each focused upon a specific category. Please visit our website, peoplewhocare.org, to access the appropriate application and check the deadline for submission. Scholarships are made to individual students from Lorain County pursuing education beyond high school.
continued on back

FAQs CONTINUED

school, and the application for those awards is also available on the website. The application deadline for scholarships is March 2nd.

HOW DID THE FOUNDATION GET STARTED?

The Community Foundation was created in 1980 with a challenge grant of \$500,000 from the Nordson Foundation. Interested citizens raised more than \$1 million to match the challenge. The Nordson Foundation staffed the Community Foundation until 1987 when the first executive director was hired.

WHO'S IN CHARGE?

The Community Foundation is a public charity governed by a 19 member Board of Directors each of whom serves a four-year term. Board members reflect the diversity of this community and are elected through a nomination process. The Foundation is managed by a professional staff of ten.

HOW ARE THE FOUNDATION'S ASSETS INVESTED?

The Community Foundation of Lorain County adheres to a comprehensive investment policy that pools all assets to increase investment diversification and reduce costs. The current policy calls for 18% Large Cap Equity, 5% Small/Mid Cap Equity, 30% International Equity, 5% global equity, 19% Fixed Income

and , and 23% Alternative Investments. The Community Foundation does not make individual stock selections or engage in "timing the market." Instead, it hires investment managers, based upon their expertise, to invest in specific market sectors.

WHAT ARE THE FEES?

The Community Foundation works with an independent consultant to monitor each investment manager's performance. The Community Foundation assesses a small administrative fee to help offset administrative costs. The fee is 1.15% of the fund's average market value (1.5% for a scholarship fund). In addition, investment costs of about .65% annually are shared by the member funds. The combined administrative fee and investment cost, therefore, totals less than 2% of assets which is well below industry standards.

DID YOU KNOW ...

- Community foundations now exist in more than 46 countries worldwide?
- There are more than 800 community foundations in the United States?
- The Cleveland Foundation was the very first community foundation, created in 1914?
- Community Foundation of Lorain County is one of the 100 largest community foundations in the United States?



Excellence. Accountability. Impact.™

For more information, please contact:

Community Foundation of Lorain County
9080 Leavitt Road, Elyria, OH 44035

440-984-7390 or email foundation@peoplewhocare.org

peoplewhocare.org

