

CONNECTING PEOPLE
INVESTING IN IDEAS
BUILDING COMMUNITIES



SOUTHWEST INITIATIVE
FOUNDATION

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Getting Started

Contact Jeff Vetsch to find out more about starting a local community foundation.



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Community Foundations

Our community foundation program is a proven model that helps retain charitable dollars to benefit our communities. **Community foundations support the community as a whole and its changing needs and opportunities.**

We provide the community foundation partner, called an affiliate, administrative support through gift processing and receipting, grant processing, investment management, and the 501(c)(3) public charity infrastructure necessary for donor gifts to receive the highest possible charitable tax deduction. The affiliate also has access to technical and professional support from us in areas such as strategic planning, board development, fundraising, marketing and public relations, and grantmaking.

Karen Lichtsinn and Ka Finzen (pictured) of the Lake Benton Diner's Club senior dining group accept a grant from Lake Benton Area Foundation Advisory Board Chair Jess Gums. The local foundation works to enrich the quality of life for present and future residents by providing the opportunity and inspiration to give back to the Lake Benton area, using its resources through leadership and stewardship. *Photo Credit: Lake Benton Valley Journal*

Read the story:

swifoundation.org/lake-benton-area-foundation/



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Give where you live

How Does it Work?

The community foundation program creates a long-term partnership between Southwest Initiative Foundation (SWIF) and your community. At the outset of the partnership, SWIF executes a legal agreement that, simply put, extends SWIF's 501(c)(3) public charity status to your community. Affiliates build a permanent endowment fund to help address the community's changing needs and capitalize on its future opportunities. They also have access to a fundraising vehicle to meet specific and immediate capital needs



SWIF provides administrative infrastructure by processing gifts and grants, investing assets, providing financial statements and coordinating all IRS reporting requirements. SWIF also provides ongoing assistance in areas such as strategic planning, fundraising, marketing and grantmaking, in addition to a \$25,000 endowment challenge grant to jumpstart fundraising.

The community assembles a local volunteer advisory board to lead the community foundation, raise funds to support the vision, coordinate grant processes and educate the community. Our 30 affiliates (see map graphic) have become catalysts for philanthropy and community improvement while putting local leaders in the driver's seat.

Fees

Administrative fees are assessed to each fund partner and help cover SWIF's costs for the administrative and professional support provided. Administrative fees are subject to change based on fieldwide standards and the economic environment.

Our current administrative fees are:

- Endowment: 0.25 percent quarterly, based on the average daily balance
- Non-endowment: 0.375 percent quarterly, based on the average daily balance

In addition, SWIF's investment managers charge separate fees to cover custody, investment management and trading activity. Investment returns over time have averaged 8.26 percent net of these fees. SWIF has an Investment Committee that guides investments in compliance with the Investment Policy Statement approved by the SWIF Board of Directors. The names of SWIF investment managers, fees charged and the names of Investment Committee members are available upon request.

Next Steps

After an initial inquiry, staff meets with community leaders over several months to assess readiness. At that same time, the community determines its fit with SWIF's model and interest in moving forward. If both parties agree to pursue a formal partnership, we will facilitate an organizing and training process during the first year of partnership, after the community raises \$5,000 for its permanent endowment fund.

