



POLICY:	Administrative Fee
POLICY NUMBER:	2.05
ISSUING AUTHORITY:	Community Foundation of Portage and District Inc.
APPROVED:	October 20, 2015
LAST REVIEWED:	March 2023
NEXT REVIEW:	March 2026

Purpose:

The purpose of this policy is to establish administrative fees that are charged to funds to support the operational costs of CFPD.

Policy Statement:

Administrative fees will be charged on all funds. The fee will be determined with the advice of the Treasurer on a yearly basis after review of the December 31st financial statements of the previous year; and presented as part of the annual budget to the Board for approval at a regularly scheduled Board meeting. The Board will set the administrative fee for endowed funds, and flow-through funds.

The administrative fee will be set at the lowest reasonable rate that will allow for CFPD to engage in effective and ethical business practices and strategy. Costs will be offset by income from the Administrative Endowment Fund. The goal of this Fund is to grow to a point in the future where income from the Fund allows the administrative fee is offset to zero.

The administrative fee will be evenly applied to each fund based on the capital held at December 31st in each year. (refer to the "Spending and Capital Preservation" policy to observe how year-end capital balances are determined).

The provision of administrative fees will be included in all fund agreements. The rate will be determined by this policy and this policy is to be referenced in the fund agreement as "changing from time to time". Fund agreements are not to include a fixed administrative fee. Any extraordinary costs associated with creating a fund will be born by the donor, unless previously agreed to differently by the Board.

Responsibility:

Review, and revision of this policy, if required, with subsequent recommendation to the Board for approval.

Reference: 4.03 Spending and Capital Preservation