

Fund Administration Fees

Innovia Foundation (“Innovia”) is a nonprofit public foundation dedicated to enriching communities by driving community transformation. Your fund fees and annual contributions to Innovia’s Partnership Fund support our work in transforming people’s lives and communities throughout our region. **THANK YOU!**

There is no set-up fee for opening any type of fund at Innovia.

Fund administration expenses are shared equitably across all funds to keep costs to a minimum.

Endowed funds are invested to provide distributions from the fund’s earnings. Administrative fees are based on the type of fund and are deducted no later than September 30 each year at the percentages listed below. Fees for endowed funds in existence for less than a full fiscal year are calculated on a pro rata basis. **Please ask to see our Investment Performance and Returns.**

Fund Type	Community Discretionary Funds	Area of Interest Funds	Donor-Advised Funds	Designated and Agency Funds	Scholarship Funds*
Endowed Fund Fees	1.5% annually	1.5% annually	1.5% annually	1% annually	2% annually
Minimum gift to establish a new fund	\$5,000	\$10,000	\$10,000	\$10,000	\$25,000
Seed endowment option available	\$1,000/yr for 5 years		\$1,000/yr for 10 years		

Community funds include Unrestricted Discretionary Funds.

*Some scholarships may require special administration for an additional fee arranged when the fund is set up.

Donor Designated Advisor: For funds over \$500,000, donors may recommend their personal wealth advisor invest their endowed fund assets. For more information, call 509-624-2606.

Gift Fees and pass-through funds. Pass-through gifts are held in a money market or similar account. Innovia retains any interest earned.

- **Donor-advised pass-through funds** - no administration fee. We ask pass-through funds to maintain a \$1,000 minimum balance and fund founders to contribute to Innovia’s Partnership Fund.
- **Pass-through funds receiving annual distributions from an endowment** at Innovia - no additional fee.
- **Corporate pass-through** or **designated pass-through funds** are assessed a fee of 1% per gift.
- **Life Insurance policies** will be charged a deferred fee of 2% for gifts over \$1 million or 5% for gifts less than \$1 million.
- **Fiscal sponsorships** - Up to a 5% gift fee is arranged when the sponsorship fund is set up.
- **Other pass-through funds** are assessed a fee of 2% per gift.



Investment-Related Fees for Endowments

Innovia reports its investment returns net of the following investment management fees, but for your convenience, here is a breakdown of those investment-related fees:

The explanations below focus on the fees related to the investment of endowments. This includes fees for our investment consultant and for individual fund investment managers.

1. Investment consultant – Innovia contracts with an investment consultant to assist in the performance analysis and reporting of the following:
 - Consolidated Investment Portfolio,
 - ESG (Environmental-Social-Governance) Pool and
 - DDA (Donor Designated Advisor) Funds, funds managed by local investment managers recommended by fund founders.

FEG (Fund Evaluation Group) is the consultant currently used by Innovia. FEG does not have any commission-based relationships with the fund investment managers they recommend. Fees are always subject to change; however, we are pleased to report that the fee paid to FEG is currently **0.16%, or 16 basis points**. This fee is paid, on a quarterly basis, by each endowed fund at Innovia. The amount paid by each fund is proportionate to the amount their respective fund balance makes up of the total value of all endowed funds at Innovia.

2. Fund investment managers – Innovia’s Board approves recommendations from FEG and Innovia’s Investment Committee for a variety of fund investment managers to achieve proper diversification and performance goals. Each of these managers has their own fee structure, similar to mutual funds. These fees are typically expressed in terms of an “expense ratio,” which is provided in various publications from the managers. The total investment manager expenses are approximately **0.62%, or 62 basis points**.
3. Total investment-related fees – In summary, the total investment services provided by Innovia consist of the two elements explained above – an investment consultant and fund investment managers. The consultant fee is 16 basis points, and the current fund investment manager fees total approximately 62 basis points for the Consolidated Investment Portfolio and the ESG Pool or 78 basis points, or 0.78% in total fees for investment-related services. Note: this does not include the DDA fees, which are a small percentage of our overall endowments. These fees tend to be higher, are typically higher-yield investments and result in a higher return. These fees and returns are folded in with other returns, and fees and earnings are shared proportionately across funds.

Questions? Please contact Innovia’s CFO for additional information.

A list of our current fund investment managers and the expense ratios associated with each is available on request.

Lauren Autrey, CFO
Innovia Foundation
www.innovia.org

Office 509-624-2606
Fax 509-624-2608