


Setting up a Fund at the Yellowknife Community Foundation

The Yellowknife Community Foundation offers various fund types, each designed to address specific community needs and support causes that matter to you. Whether you want to make an immediate impact or leave a lasting legacy, our fund options provide flexible ways to support in Yellowknife and the Northwest Territories.

Our fund types include:

- Northern Legacy Fund
- Yellowknife Community Impact Fund
- Field of Interest Funds
- Charitable Designated Funds
- Student Award (Scholarship or Bursary) Funds



At the Yellowknife Community Foundation, our work is guided by our charitable purposes, which include:

- Providing financial support to other registered charities as defined by Canadian law
- Supporting social services that help those in need and work to reduce poverty and suffering
- Promoting the arts and cultural activities, including theatre, dance, literature, film, music, and visual arts
- Advancing education by funding scholarships, student awards, bursaries, and specific educational projects
- Enhancing medical services through the funding of healthcare facilities and medical research
- Supporting other community-based charitable activities, as outlined by the CRA

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Key Considerations

When establishing a new Fund, a donor will enter into a Gift Agreement with the Yellowknife Community Foundation. Within the agreement, the donor should consider the following:

Naming the Fund

What will you name the Fund? This can honour the donor, a loved one, or a specific cause.

Purpose

What is the purpose of the fund? Is it a student award for academic excellence, financial need, leadership, community service, or a specific field of study? Is it a field of interest fund that focuses on youth leadership development?

Eligibility

Who is eligible to apply?

- If it is a student award, what level of education should applicants have, and is it open to all NWT students, or specific to one or a few communities?
- If it is a field of interest fund, can organizations throughout the territory apply or is it Yellowknife only?

Award Amount

Is there a certain annual award amount that you would like to disburse from the fund? If not, annual disbursements must meet the minimum as per Yellowknife Community Foundation policies, which is currently \$1,000 annually, and must meet the Yellowknife Community Foundation's disbursement quota for the year. This will range from 3.5% - 5% annually.

Initial Gift

What will be the size of your gift? Consider the minimum contribution needed to generate sufficient income for the award. The size of your gift will determine if this will be a(n):

- Time-Limited Fund
- Emerging Fund
- Endowment Fund

More about the Initial Gift

Time-Limited Fund

The minimum donation to establish a Time-Limited Fund is \$12,000.

A Time-Limited Fund is a Fund where a donor has met the minimum contribution to establish a Fund, but the contribution is not sufficient to keep the Fund active longer than 20 years. The Foundation may agree to set up a Time-Limited Fund, which is a Fund that will only exist while there are sufficient funds in it to meet the distributions.

Example

A donor creates the John Doe Memorial Fund with a \$12,000 initial gift. The annual disbursement is \$1,000, as per the Foundation's policies. Accounting for investment income and administration fees, and assuming there are minimal donations in addition to the initial gift, this Fund will likely close down after about 20 years.

A Time-Limited Fund may provide the option for a donor to deliberately spend down their funds over a shorter period, with the intention to close their Fund. Distributions will be set at a fixed amount and the intention is that the full amount of the Fund (both capital and investment income) will be distributed within a certain period. If in a year, there are insufficient funds (both capital and income) in the Fund to meet the distribution amount, the remaining funds will be transferred to one of the Foundation's general Funds (the Yellowknife Community Impact Fund or the Northern Legacy Fund) and the Fund will cease to exist.

Example

A donor creates the Jane Doe Memorial Fund, with an initial gift of \$100,000. The donor wants to disburse \$10,000 per year via 2 scholarships for \$5,000 each. Accounting for investment income and administration fees, and assuming there are minimal donations in addition to the initial gift, this Fund will likely close down after 13 years.

Emerging Fund

Donors can start an Emerging Fund with any initial gift amount and an intention to reach the minimum of \$12,000 for a Time-Limited Fund within 3 years.

Endowment Fund

The minimum donation to establish an Endowment Fund is \$60,000.

Endowment Funds are defined as those Funds created where the capital is held for the long-term and the annual distributable earning are allocated to recipients. The capital of an endowment fund can be encroached upon or distributed, in accordance with the Foundation's policies, but the intention is to maintain the capital for the long-term.

Generally, most Funds set up with the Foundation are Endowment Funds.

Example

A donor creates the Jim Smith Memorial Fund with a \$75,000 initial gift. The annual disbursement is based on Yellowknife Community Foundation's disbursement quota, which for an amount of \$75,000 is likely \$2000-\$3,000 per year. Accounting for investment income and administration fees, and assuming there are minimal donations in addition to the initial gift, this Fund will exist in perpetuity (forever!).

Contact Us

We are here to help you explore how the Yellowknife Community Foundation can meet your legacy needs. We're dedicated to Yellowknife and our territory's future and are ready to assist you in creating the legacy you envision. Please contact our team to discuss further.



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