

# FREQUENTLY ASKED QUESTIONS

## 1) What is “Women in Philanthropy”?

Women in Philanthropy (WIP) is a philanthropic organization for the collective giving by women within the Lowcountry community. It is a women’s giving circle. WIP was formed in 2003 under the auspices of the Community Foundation of the Lowcountry (CFL).

## 2) What is CFL?

CFL was founded in 1994 as a public charity. It provides charitable planning services for donors, community groups, and nonprofit organizations. It is a source of funding for hundreds of nonprofit organizations in the Lowcountry.

CFL hosts permanent general and special-interest funds established by groups and individual donors to carry out charitable interests that benefit Lowcountry residents. CFL is reviewed regularly to ensure that it meets national standards for community foundations, in addition to complying with IRS and state regulations for charitable foundations.

## 3) How is WIP connected to CFL?

CFL provides WIP with fund management and administrative support. This assures donors that less than 1.5% of donor dollars goes to administration. This affords WIP professional investment management and administrative resources at minimal cost.

## 4) Who governs WIP?

An Advisory Board, comprised of WIP members, provides oversight and implementation of WIP programs. However, the WIP Advisory Board has no official, fiduciary, or voting authority in conjunction with CFL. CFL’s Board has overriding governance authority of all component funds; WIP is one of over 300 such funds in CFL. WIP grant awards are approved by both WIP’s Advisory Board and CFL.

## **5) How are WIP Board members selected, and how long are Board terms?**

Candidates who have been active in WIP's standing committees and/or have exhibited leadership potential are suggested by current Board members. The Nominating Committee (made up of the immediate past and current Board Chairs, and the current Vice Chair) solicits member interest in Board service, reviews candidates, and recommends a slate to the Advisory Board. The Board puts forth the slate for a vote of the membership at the Annual Meeting in May. Board terms are for three years, and are limited to two consecutive terms.

## **6) What is an endowment fund and why did WIP choose to establish an endowment?**

An endowment is a permanent fund established for either specific or general purposes. Because the principal of the endowment always remains intact (only a specific percentage is distributed annually), the fund will be available to support the mission and programs of WIP members for years to come.

The Founding Advisory Board of WIP chose to establish an endowment fund with CFL through the initial contributions of \$3000 each from 100 Founding Members, and ongoing annual member contributions. This assures a permanent source of funding to support the work of WIP today and well into the future.

## **7) How is the "spendable" portion of the WIP Endowment calculated?**

CFL endowment fund distributions are capped at 4.5% of the previous 20-quarter moving average of the fund's market value, over and above investment and administrative fees. The spendable amount for each prospective fiscal year is based upon the 20-quarter moving average as of the June 30 end of the current fiscal year.

In addition, any new contributions to the fund may be designated as spendable or non-spendable, so long as less than 50% of the total market value is spendable. For this reason, WIP gifts are split evenly between spendable and non-spendable funds, unless the member designates otherwise.

Any spendable monies that are not awarded as grants in the current year remain invested, and remain spendable, and can therefore be distributed as grants in subsequent years.

## **8) How is the WIP Endowment Fund invested and who is responsible for oversight of the fund?**

The WIP Fund is pooled with other CFL endowment funds for investment purposes, reducing investment costs and providing greater protection against market volatility than if each endowment was invested separately. CFL's Finance and Investment Committee is responsible for the oversight of the fund, and for oversight of the professional investment manager retained by CFL.

## **9) How does WIP cover its administrative costs? What percentage of WIP donations goes to administrative costs?**

WIP is designated as a "field of interest" fund rather than a "donor advised fund." As a field of interest fund, section 501(c)(3)s of the Internal Revenue Code permits WIP to award grants and cover its administrative costs out of contributed funds.

WIP pays CFL 1.25% per year for administrative services and support. This fee is calculated and charged quarterly, based on the average daily balance of the fund each quarter.

## **10) How are grants distributed from the endowment fund?**

Grants from the endowment fund are distributed annually. Grantmaking is focused on supporting nonprofit programs that strengthen families and individuals in the areas of arts and culture, community development, education, the environment, health, and human services. The Grants Committee recommends areas of focus for the upcoming grant cycle and the membership votes on an annual theme. The Grants Committee reviews applications from eligible non-profit agencies and makes recommendations to the Advisory Board. The Advisory Board votes to award grants on behalf of the WIP membership.

## **11) How can I get involved in making WIP a success?**

By being a member of WIP and renewing your membership annually, your gifts not only support current grant programs, they build the endowment for future community needs. If you would like to take a more active role, there are standing committees (Communications, Education, Events, Finance, Governance, Grants, and Membership) on which to serve, and fellowship opportunities in which to participate.

## **12) What is the WIP fiscal year and when are annual contributions due?**

The WIP *fiscal* year is July 1 – June 30, commensurate with CFL. Annual gifts coincide with the *calendar* year, and are due in January. Members are designated as Bronze, Silver, Gold, or Platinum, based upon the membership contribution they choose to make. Members who join between July and December are asked to contribute at least \$150 (half the normal minimum) in order to retain active membership.

## **13) Who do I contact if I have other questions?**

Please feel free to contact Kathi Bateson, Advisory Board Chair at [kbateson@artshhi.com](mailto:kbateson@artshhi.com) or Julia Moore, Staff Liaison with CFL, at [jmoore@cf-lowcountry.org](mailto:jmoore@cf-lowcountry.org) or **843.681.9100**.