



Battle Creek Community Foundation

Organizational Endowment Program Updates Changes Occurring Between January 1, 2025, and March 31, 2025

1. **Fund Statement Delivery**: Beginning January 2025, fund statements will be issued electronically. If you are not already receiving electronic statements, your account will be automatically set up to receive statements via email and through the on-line portal. If you would like to receive statements only via the Portal, please contact us. Fundholders receiving statements via the portal will receive an email notifying you when statements are ready to view. **Please contact us if you would like access to the on-line portal.**
2. **Distributions will become automatic in 2025**: In an effort to expedite the processing of organizational endowment distributions, BCCF is eliminating the distribution letter and request for distribution and approval process, and will be moving to automatic distributions of the annual spendable amount for a fund.
 - a. Distributions will occur by May 31st at the latest, annually.
 - b. **Distributions will be sent to your organization, or you may opt to have your distribution placed into a Support Fund to continue to be invested and grow.**
 - i. If an organization does not have a Support Fund, we will work with you to sign the necessary paperwork for a Support Fund to be established. Distributions transferred to a Support Fund will remain invested and 100% accessible by your organization.
 - ii. Support Fund distributions will not be automatic. Board minutes continue to be required to request distributions from Support Funds.
 - c. **Your first distribution will include the full accumulated spendable balance, if any, plus your FY25/26 spending allocation (4% or 5%, see below)**
 - d. Distributions from Organizational Named Funds may also be transferred to Support Funds.
 - e. Organizations may opt-in to receiving a spending policy rate of 5% annually, rather than the standard spending policy rate of 4%.



3. **Spending Policy and 5% Spending Election:** As you may know, when BCCF moved from a 5% annual spending policy to a 4% annual spending policy, Organizations were given the option of continuing to take a 5% spend, upon request from the organization's board. We are now giving you an option to permanently (or until a request is received to adjust the spending) opt-in for a 5% annual spend on both organizational and donor designated (named funds) for your organization. (See attached pros and cons). **To opt-in to the program in time for your 2025 distribution, please return the attached form, or contact us prior to February 15, 2025.**
4. **Distributions in excess of 5%:** During a recent review of fund agreements, we were advised that distributions in excess of 5% should not be permitted from donor designated organizational named endowment funds. Since the organization is not the donor or owner of these funds, but rather the beneficiary, the organization should not be given rights to a donor fund. This means that distributions of net earnings from Organizational Named Endowment Funds (only) will no longer be allowed. Distributions in excess of 5% from organizational endowment funds may be allowed in emergency situations where the prudence standards of the Uniform Prudent Management of Institutional Funds (UPMIFA) are met.
5. **ACH/ Electronic Delivery of Funds:** BCCF highly encourages all organizations to work with our staff to establish ACH payments for your organization. By establishing ACH payments with BCCF, receipt of your annual distributions AND any grant awards that you receive from BCCF will be expedited, and more secure. This also supports our efforts to reduce paper and meet Sustainable Development Goals. **Information on how to elect to process your distributions and awards via ACH is attached.**



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Optional Upgrades Upon Request

1. **Audit Requests/ Portal Access for Auditors**: For the efficiency for your organization, you may request access to the portal for your auditors and/or third-party accountants? **Our release of information form is attached, should you like to make this request.**
2. **Fund Statement Fiscal Year Customization**: Our accounting system now offers the ability to customize the fiscal year shown on fund statements, should your organization have a different fiscal year than the April – March fiscal year that BCCF has adopted. **If you are interested in having your fund statements represent your organization's fiscal year, please contact us so that we may make this update.**



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Miscellaneous Updates (No Action Required by your Organization)

1. **Grant and Donation Electronic Notifications:** All fundholder accounts will now receive emails notifying you when a donation is received to a fund, or when a grant has been distributed from a fund. This will allow you the opportunity to provide timelier acknowledgement to donors contributing to your funds, as well as track the processing of your annual grant distribution.
2. **Portal Changes:** Our software vendor is in the process of upgrading the portal to provide on-line access to certain information for donors, grantees and vendors, in addition to fund advisors. These changes go into effect in February 2025. As a result of these changes there will be a new look to the portal, impacting how you navigate it. Additional information around these changes and how to navigate them will be shared at a later date.
3. **Donation Receipts/ Tax Letters:** Beginning January 2025, on-line donation receipts will be distributed electronically. Donors receiving electronic receipts will be able to view those via the portal when it launches in February.
4. **Organization Endowment Handbook:** By the end of February 2025, the Organizational Endowment Handbook will be updated to reflect all of the updates included within this correspondence and will be available via the BCCF website and on-line portal.
5. **Planned Giving Marketing:** We are currently assessing our planned giving marketing products and are reviewing other vendors to ensure that we are providing the best resources to assist your donors with their charitable giving plans. An update will be given at the annual organizational endowment meeting.
6. **Customized Donation Cards:** Throughout the first quarter 2025 BCCF will be discontinuing the custom donation card program for funds and replacing it with custom flyers for each fund that may be desktop printed on demand. Upon request we will create a custom flyer for your organization and email it to you to print at your convenience. Response envelopes will also be available upon request.