



INACTIVE FUNDS POLICY

The South Dakota Community Foundation (Foundation) will periodically review the grantmaking activity of our endowed funds to ensure our donors' charitable objectives are being met. Unless a waiting period is specified in the Fund Agreement, the Foundation will contact the fund advisor or beneficiary agency for any fund that has failed to make distribution recommendations for a period of three years or more. The following options will be presented to the fund advisor or beneficiary agency:

- a. Resume or begin periodic grantmaking;
- b. Provide a written plan for funding a specific project that requires accumulating resources;
- c. Recommend an amended charitable purpose or designated charitable beneficiary for the fund;
- d. Recommend amended criteria for awarding grants or scholarships from the fund;
- e. Recommend transfer of the assets into another endowment fund held by the Foundation;
- f. Allow for the transfer of assets to a named fund that provides annual support to the Foundation's unrestricted grantmaking programs aimed at addressing prevailing needs across South Dakota.

Any amendments, changes, or remedies recommended by the fund advisor or the beneficiary agency must be approved by the Foundation Board of Directors.

A fund will be deemed to be inactive if:

- a. The fund advisor dies or resigns or evidence of his or her incapacity is provided to the Foundation, and if no successor advisor or charitable beneficiary or charitable purpose has been named or identified;
- b. All named successor advisors are unable or unwilling to serve as such;
- c. No distribution recommendations are made for a period of three years and, during such period, the advisor or successor advisor does not reply to the Foundation's attempts to contact them.

If the fund becomes inactive, the Foundation will deem the advisory period to have ended and will initiate distributions from the fund as part of the Foundation's unrestricted grantmaking programs aimed at addressing prevailing needs across South Dakota.