



Community Ventures Fund Prospectus



www.rochesterarea.org | P: 507.282.0203



What is the Community Ventures Fund?

The Community Ventures Fund of the Rochester Area Foundation is a long-term investment in the Rochester community for businesses and individuals committed and dedicated to the maintenance and enhancement of a superior quality of life for all residents. In the same way as venture capital supports innovation in the business world, the Fund provides venture philanthropy support to the nonprofit world.

Why a Community Ventures Fund?

The Fund will address issues, concerns and needs in the Rochester area within a strategic framework. Priorities will be towards programs that are vital to the social and cultural fabric, infrastructure and educational needs of the community. Investments will be targeted to assure a sustainable future for the Rochester area. All principal assets of the Fund are invested as part of the investment portfolio managed by the Rochester Area Foundation. Earnings available for investment in the community are in accordance with the spending policies recommended by the Investment committee and adopted by the Board of Trustees of the Rochester Area Foundation.

How Does the Fund Work?

The Community Ventures Fund gives donors the opportunity to pool their charitable resources for greater impact. Donors to the fund become the shareholders and collectively decide how the fund can be used for maximum community investment. Grants from the Community Ventures Fund have the shareholders names attributed to the grant; however, one can opt out of attribution if they choose.

How Can I Become a Member of the Community Ventures Fund?

Individuals and business purchase shares of the fund for \$25,000. The shares can be purchased over a five year period for \$5000 each year. The shareholders meet several times per year to set direction, establish project considerations and finally vote on a project to receive a grant. Concerned and committee members of the Rochester community have joined the Ventures Fund to help insure a bright future, Why don't you join with them?

Financial Facts

Like any important decision, making a significant charitable donation requires careful consideration. The Community Ventures Fund is no different. The Fund is established to exist in perpetuity; your share will remain in the fund to finance other longer term, larger projects as determined by the shareholders at the time.

The Rochester Area Foundation Community Ventures Fund is unique in that the shareholders vote on projects for funding within the Rochester area and find that pooling resources provides best advantage for impact in whatever area is under consideration.

- The fund is financed through sales of shares
- Shares may be purchased by businesses or individuals
- You are able to purchase additional shares
- Meetings are held to discuss projects for funding
- Your gift is tax deductible

Community Ventures Fund

(Please see our Guide for Giving for other philanthropic opportunities)

Description	Public charity that pools shareholder investment and invests them; Fund makes grants to charitable organizations using a vote of the shareholders for direction.
Advantages	<ul style="list-style-type: none"> • Contribution is fully tax deductible • Can give anonymously • Fund exists in perpetuity • Each shareholder votes their share(s) in support of a project
Disadvantages	<ul style="list-style-type: none"> • Majority rules the decisions • Donors receive no income from Fund
General Tax Rules	<ul style="list-style-type: none"> • Contributions of principal for Fund are fully tax deductible • Consult with your tax advisor to receive maximum tax benefit • Income/growth of the Fund is tax exempt