

Establishing a Memorial Fund

at the Yellowknife Community Foundation

What is a Memorial Fund?

Creating a Memorial Fund at the Yellowknife Community Foundation is a meaningful way to honour a loved one's legacy. Donations to the fund can support causes that were important to your loved one, or celebrate their life in another way. Depending on the type of fund, disbursements may provide scholarships for education or grants to NWT-based organizations supporting areas such as animal welfare, environmental protection, health care, and more.



The Yellowknife Community Foundation offers flexibility in setting up funds, recognizing that creating a Memorial Fund is a personal and meaningful process. We'll work closely with you to ensure it reflects your wishes and honours your loved one appropriately.

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Step 1:
Decide what type of fund to create.

Fund Type	Example
Field of Interest	a grant offered annually to support food security in the NWT, organizations apply each year for funds
Student Award	a scholarship offered annually to students pursuing education in the healthcare field
Charitable Designated Fund	a grant offered annually to a local charity, like Northern Arts and Culture Centre (NACC)
Named Contribution within an existing Fund	We have three internal funds. You can establish a Named Contribution within one of these funds to increase the impact of the Fund. All donations are pooled to allow for larger grants to NWT-based organizations.

Step 2:
Think about the specific purpose of the fund.

Staff at the Yellowknife Community Foundation will support you to define a specific purpose that works for you.

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Step 3:

Determine the initial gift amount.

Most of our funds are endowment funds, where all donations are responsibly invested with the expectation of long-term growth. Each year, we distribute 4% of the fund's balance, with a minimum annual disbursement of \$1,000. You may choose to disburse more than 4% per year, though this may shorten the fund's lifespan.

Funding Thresholds:

- \$12,000 Minimum – The fund will begin disbursing \$1,000 per year and last for about 15-20 years.
- \$30,000 Minimum – The fund will disburse \$1,000 per year indefinitely, making it a permanent fund.

Pending Funds:

A pending fund is often established soon after the passing of a loved one to honour their memory. These funds are built through donations from family, friends, and community members and must reach the \$12,000 minimum threshold within three years. If the fund does not meet this minimum, the donations will be directed to one of our internal funds, the Yellowknife Community Fund or the Northern Legacy Fund.

Flow-Through Funds:

Flow-through funds differ from endowment funds and operate on a year-by-year basis. They require a minimum donation of \$1,000 per year and are subject to an additional administration fee.

*For all of our funds other than flow-through funds, we charge 2% annually on the balance of the fund for administrative costs.

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Example 1

John's sister passed away 5 years ago and he reaches out to the Yellowknife Community Foundation to create a fund in her memory. He wants the fund to support environmental preservation, a cause his sister was passionate about, by awarding an annual grant to an organization in the NWT.

John plans to contribute \$50,000 this year and another \$15,000 next year, but he also wants to invite public donations to help grow the fund. His goal is to reach \$100,000, which would allow for a \$4,000 annual grant. The Foundation establishes a fund in his sister's name, and John shares it with family and friends. Over the next year, an additional \$15,000 in donations comes in from friends and family.

With a balance of \$80,000 from all donations, the fund awards a \$3,000 grant (4% of the fund balance) to support environmental preservation. John continues to promote donations from family and friends and contributes annually to help the fund grow to meet his goal of \$100,000.

Example 2

Rhoda passed away recently, and a group of her friends decide to create a scholarship fund in her memory. They want the scholarship to support students pursuing any subject in post-secondary education, with a preference for students who, like Rhoda, were born and raised in the NWT.

Rhoda's friends contribute \$200 each, raising a total of \$800. Since this amount does not meet the minimum fund threshold, they establish a pending fund at the Yellowknife Community Foundation in Rhoda's name. Over the next three years, the fund receives an additional \$15,000 in donations from community members.

After three years, the fund reaches the minimum threshold, and the scholarship is officially established. The fund begins offering an annual \$1,000 scholarship, which is expected to continue annually for approximately 25 years.

Each year, Rhoda's friends plan to host a memorial dinner with local music performances that will serve as a fundraiser. They expect to raise around \$500-\$1,000 annually, which will be donated to Rhoda's fund, helping it grow and ensuring it lasts longer.

Example 3

Winston's grandfather recently passed away and left him a significant bequest in his will. He understands it may take a year or two before he receives the funds from his grandfather's estate. Winston wants to create a scholarship fund in his grandfather's name using some of this gift, focusing on students pursuing studies in medicine or healthcare, as his grandfather supported Winston's education to become a nurse.

Winston decides to establish the scholarship fund this year and offer a \$3,000 scholarship. Since he doesn't expect to receive the bequest for at least another year, he sets up the fund as a flow-through fund. He donates \$3,000 to get the scholarship started and agrees to an additional administration fee for the Yellowknife Community Foundation to distribute the scholarship this year.

The following year, Winston receives the bequest and donates \$85,000 to the fund, which is now converted into an endowment fund. Each year, the fund will offer a scholarship of \$3,000–\$3,500, with the fund expected to continue indefinitely.