

Hartnell College Foundation (HCF) Sustainability Fee

At the Hartnell College Foundation, we are committed to ensuring that every gift we receive is carefully managed, properly stewarded, and put to work exactly as our donors intend. To provide the highest level of service, the HCF assesses a one-time 5% sustainability fee on non-endowed restricted gifts and revenue.

Corporate and foundation grants are charged a minimum one-time 5% sustainability fee on grants up to \$100,000, and a minimum one-time 3% sustainability fee on grants of \$100,001 or more.

These fees support the essential infrastructure that allows us to raise, manage, and distribute philanthropic funds efficiently and responsibly while supporting our work to help Hartnell College fulfill its mission to advance social and economic justice through the transformative power of education.

Frequently Asked Questions

What is a sustainability fee?

A sustainability fee is a one-time fee assessed on all new revenue and non-government grants to the HCF. Our commitment is to provide timely gift receipts, accurate records, expert management of gift funds, and efficient disbursement of gift funds to programs at the College.

How much is the fee?

The Hartnell College Foundation (HCF) assesses a 5% sustainability fee on all current-use, restricted gifts and revenue. Unrestricted gifts made to the HCF are not assessed a sustainability fee.

Corporate and foundation grants are charged a minimum one-time 5% sustainability fee on grants up to \$100,000, and a minimum one-time 3% sustainability fee on grants of \$100,001 and above.

Why does the Hartnell College Foundation have a sustainability fee?

The sustainability fee helps cover the real and necessary costs associated with managing gifts, including: providing timely and IRS-compliant gift receipts, maintaining accurate and transparent donor records, expertly managing, investing, and disbursing funds across the College, stewarding and recognizing our donors through publications, providing personalized communications, and growing a strong and sustainable development program to support Hartnell College's long-term success. The gift sustainability fee allows the Hartnell College Foundation to responsibly manage your investment and ensures your gift creates the biggest impact possible at Hartnell.

This fee reflects the significant growth in the Hartnell College Foundation's fundraising activities and funds under management, and ensures that the HCF can continue to provide exceptional service and accountability at a larger scale, while remaining financially sound. The current fee structure ensures that we can continue to support our fundraising efforts, serve our donors, and expand Hartnell College's impact. There are currently approximately 500 funds under management at the Hartnell College Foundation.

How is the sustainability fee applied?

Upon receipt of a gift, the Foundation will deduct a one-time fee of 5 percent from the total amount. While the fee will have only a minor impact on the program to which the gift is directed, the collective impact of this fee will be to foster a stronger fundraising and donor outreach program that will expand support.

Budgets for corporate and foundation grants will include a minimum 5% sustainability fee on grants up to \$100,000 and a minimum 3% sustainability fee on grants of more than \$100,000. If the funder allows a higher percentage for operating support, that amount will be included in the budget. If the funder does not allow operating support, the HCF will evaluate its ability to accept the grant.

Is the sustainability fee subtracted from my charitable tax deduction?

No, 100 percent of your contribution is tax deductible, unless you receive something in exchange for your gift (e.g., a raffle ticket, auction item, golf registration, etc.).

Do other community college foundations assess this fee?

Yes, most community college foundations, as well as most universities, apply a similar, or in some cases higher fee. A sustainability fee of 5% is not uncommon at educational foundations throughout the country.

The local non-profit organizations I support don't charge sustainability fees. What's the difference?

The difference is primarily one of terminology. All community organizations have operating costs. In general, revenue from contributions helps in part to support those costs — whether or not a formal "fee" is identified. Most nonprofit organizations do not have as many restricted funds under management as college and university foundations due to the number of scholarships and college programs.

Is this fee assessed on all one-time gifts?

No, the fee applies only to non-endowed gifts and revenue restricted to a specific purpose, such as scholarships or a college program.

What about gift pledges?

The sustainability fee is applied to all pledge payments in the same way it would be applied to any one-time gift. The 5 percent fee is assessed as each payment is made.

Is the fee assessed on recurring gifts (credit card, payroll deduction, etc.)?

Yes. The sustainability fee is applied to all automatically recurring gifts to restricted funds, except as stipulated above.

Is the fee assessed on gifts to an endowment?

No, because like the vast majority of other foundations, the HCF charges an annual fee to offset the Foundation's cost of managing endowed funds. That fee is 1.5% fee of the interest earnings.

What about matching gifts?

Yes. The sustainability fee is applied to matching gifts.

Does the sustainability fee apply to planned gifts (from wills or trusts)?

The 5 percent fee will be assessed on all gifts conveyed by cash or check that are not endowed. If the gift is endowed the endowment fee applies.

What about in-kind, non-cash donations?

If an in-kind or non-cash donation is sold and the proceeds are earmarked for the benefit of a non-endowed program at Hartnell College, the 5 percent fee will be applied to gross proceeds from the sale.

Does the fee apply to family or corporate foundation grants?

Family and corporate foundations have differing policies related to the assessment of fees to cover indirect costs associated with applying for grants to their organization. If such fees are not specifically prohibited in the grant agreement, the tiered sustainability fee will be applied. If a condition of the grant is that no indirect or administrative fees be applied, the HCF will evaluate its ability to accept the grant.

Can a donor cover the fee directly?

Yes, a donor may choose to cover some or all of the 5 percent fee to ensure that more of the contribution is directed to the Hartnell College program area the gift is designed to support.

How are operations of the Hartnell Community College funded?

Foundation operations are funded through a combination of revenue from earnings on short-term funds, endowment management fees, unrestricted gifts, sustainability fees, contracts, and direct support from the College.

How often does the sustainability fee change?

In order to assure budgetary and financial stability, the Foundation Finance Committee reviews the sustainability fee on a regular basis to determine if adjustments are needed.

When did the Foundation enact its sustainability fee?

The sustainability fee for new gifts was effective July 1, 2026.