

Guidelines for Using Your Donor Advised Fund

How do I recommend a grant from my donor advised fund? You may recommend a grant using a Donor Grant Recommendation Form available to you by calling the Foundation's office or by visiting our website and clicking on the Forms tab. Grants may be recommended anytime during the year and as often as you desire. The Grant Recommendation Forms may be submitted to the Foundation by mail, fax or e-mail.

What is the minimum dollar amount for which a grant may be recommended? Although a grant may be suggested in any amount, the Foundation recommends a minimum of \$100.

Can I give anonymously? Yes. When recommending a grant, you may indicate on the Donor Grant Recommendation Form that you wish to remain anonymous.

What organizations are eligible to receive a grant from my fund? Grants must be made to organizations that the IRS recognizes as tax exempt, charitable organizations under section 501(c)(3) of the IRS Code. The Community Foundation staff will verify the 501(c)(3) status of each organization to which a grant is requested.

Is there a requirement that my fund must distribute a certain minimum amount in grants each year? No. There is no amount that must be distributed annually from a donor advised fund.

May I recommend a grant to an organization in payment of a pledge that I have made? No. The Internal Revenue Service prohibits any distribution from a fund that satisfies a legally enforceable obligation or personal pledge made by the donor/fund advisor. If you desire to make those kinds of distributions from your fund, instead of making a pledge, you should let the nonprofit organization know that you intend to recommend a grant from your donor advised fund at the Foundation.

May I recommend a grant from my fund to sponsor a charity event, to purchase tickets to a charity event or to participate in a charity golf tournament? No. You may not recommend a grant from your Fund that entitles you to benefits such as tickets, a meal, or a round of golf. If you waive all such benefits, you may sponsor the event with a grant from your Fund.

May I recommend a grant from my fund to pay membership dues? These types of expenditures are most appropriately paid from your own personal checking account. However, you may recommend a grant from your Fund if you waive all benefits and the full amount of the membership dues is tax deductible.

May I use my donor advised fund to pay for a needy person's education or medical expenses? No. Although this is worthy and generous, the IRS does not recognize as a charitable activity the support of a particular person identified by the donor. You may establish a scholarship fund in which a class of members would be eligible to apply for a scholarship based upon specific criteria.

Following these guidelines will ensure the tax deductibility of your gift to the Community Foundation and protect the Foundation's 501(c)(3) exempt status.

For more information, please contact us at 1621 Metropolitan Blvd., Suite A • Tallahassee, FL 32308

Phone (850) 222-2899 • Fax (850) 222-3624 • Email info@cfnf.org • Website www.cfnf.org