

The Community Foundation for the Ohio Valley, Inc.

Donor Advised Fund Guidelines

Donor Advised Funds give donors an unparalleled opportunity to:

- play an active, personal role in their charitable giving;
- enhance their understanding of community agencies and needs;
- benefit from the Foundation 's extensive experience in fund and grant management;
- obtain immediate tax benefits; and
- build an enduring, permanent resource that ensures perpetuation of their charitable presence in the community.

In creating a Donor Advised Fund, donors retain the right during their lifetimes or during the lifetimes of other advisors they name, to recommend grants to specific organizations or program fields. Donors may consult with the Foundation's staff about the community's needs, programs and agencies. Grant distributions and investment management are handled by the Foundation.

By establishing Donor Advised Funds, donors have the satisfaction of shaping philanthropic programs that reflect their special interests and concerns. Their giving patterns will guide the Foundation in managing their permanent endowment funds through the years.

The following policies and guidelines have been established to govern the handling of Donor Advised Funds in a manner consistent with the purposes of the Foundation and in keeping with applicable tax regulations.

1. Donor Advised Funds belong to the Foundation and are subject to the terms and conditions of its governing instruments.
2. Donors or other advisors named by the donor when a fund is established are invited annually to submit recommendations for grants to be made from the fund. Such recommendations will be given careful attention. They must be advisory, however, and may not bind the foundation, which, by law, must have the final authority to determine the use and distributions of all its funds.
3. Suggestions made by donors will be evaluated to determine that they are consistent with the broad purpose of the Foundation and that recommended agencies are eligible to receive charitable distributions. The Foundation's Board, usually at a regular quarterly meeting, then acts upon donor recommendations. Recommendations also can be considered between meetings and well in advance of the time of the need for actual distribution.

4. Donor Advised Fund grants are made primarily to agencies and institutions within the Community Foundation for the Ohio Valley, Inc. area, but can be awarded to charitable agencies and for charitable purposes in areas outside of the service area of The Community Foundation for the Ohio Valley, Inc.
5. Donors may allocate a portion of the fund's annual distributions to the support of special projects identified by the foundation's Board as critical to our community. Such allocations help the foundation respond to new opportunities and emerging needs.
6. From time to time the Foundation will call advisors' attention to special community needs and programs and invite participation on special program initiatives. Staff is always available to consult with fund advisors.
7. In accordance with Treasury Department regulations, grants awarded from Donor Advised Funds may not be used to pay for memberships, dues or anything that might be perceived as giving material benefit to their donors. In addition, a donor may not use grants to satisfy a previously committed personal pledge made to a charity. However, the Foundation's Board will consider recommendations for new commitments to charitable organizations payable over a number of years.
8. Grants from Donor Advised Funds are made only to nonprofit organizations exempt from Federal taxation under section 501(c)(3) of the Federal Revenue Code and to others for charitable purposes.
9. Unless the donor wishes to remain anonymous, the Foundation identifies for grant recipients the named funds from which grants are paid, and the grant recipients are encouraged to acknowledge the donor whose generosity made the grant possible.
10. Unless other arrangements are made at the time the fund is established, a Donor Advised Fund will be considered as a permanent endowment.
11. At the time a Donor Advised Fund is established the donor may create a mechanism for the replacement of advisory committee members, but under normal circumstances an advisory committee may not have perpetual existence and may not continue beyond the natural lives of the original committee members. Exceptions to the policy may be made when, for example, the special expertise or knowledge of advisors is felt to be critical in managing a fund such as a medical research or scholarship fund.
12. The Foundation encourages donors to leave funds as unrestricted as possible upon the termination of the role of the last advisor. At the time the Fund is established, however, donors may identify areas of charitable interest for which the fund always will be used.

13. All funds are subject to the terms and conditions of the Foundation's governing instruments, as amended. Among other things, the governing instruments provide that the Foundation has the power to modify or vary any donor direction or restriction in the event such direction or restriction becomes unnecessary, impossible or inconsistent with the charitable intention of the donor or the needs of the community.
14. So that the Fund's investments can be properly managed, the Foundation would like to have one month's advance notice prior to the date that a Donor Advised Fund's distributions must be made, but every effort will be made to accommodate the needs of the Donor Advised Funds upon request.