



Guidelines for Donor-Advised Funds

Minimum Size

The minimum to start a donor-advised fund is \$5,000.

Naming the Fund

A fund name may include the word “foundation.” However, the word “fund” must be the last word in the name. For example, your fund name could be “The Smith Family Foundation Fund.”

If more than one fund is established by the same donor, we recommend differentiating the funds with different names.

Unless anonymity is requested, the fund name will appear in Community First Foundation’s print materials and Web site.

Advisor(s)

The donor may serve as the advisor or appoint an advisor to recommend distributions. Successor advisors may also be identified. Advisors and successor advisors are identified in the gift application/fund agreement.

Duration of the Fund/Automatic Termination

A donor-advised fund does not have an automatic termination point and may survive the initial donor(s) through the assignment of a successor advisor(s). The donor and Community First Foundation may also agree on termination of the fund based on a specified date or event. We will accept recommendations about how to distribute any money remaining in the fund upon termination.

Investments and Returns

The finance and investment committee of Community First Foundation’s board oversees the investment strategy and practices as defined in our investment policy statement.

The Foundation uses an investment strategy based on the purpose and time horizon of the fund. Our investments are managed by the finance and investment committee using Innovest Portfolio Solutions as our investment management consultant. We continually monitor trends and performance using experienced advisors and the careful stewardship of our finance and investment committee.

Fees

The minimum annual fee is \$200.

A 1.00% charge will be assessed on the first \$1 million, 0.75% on the second million and 0.5% on any balance above \$2,000,000.

Donations to the Fund

Additional contributions to the fund of cash and marketable securities are welcome and may be made to the fund at any time. The minimum contribution recommended for a single donation is \$100.

Gift Acknowledgement

The Foundation will send donors to the fund an acknowledgement letter and tax receipt to verify that the gift was placed in the desired fund.

Grants

A minimum distribution of \$250 per transaction is recommended.

Although there is no annual minimum distribution requirement, we encourage regular grantmaking from the fund. If grants are not recommended, we may contact the advisor to recommend grants from the fund.

Recommendations for distributions from the fund can be made using our convenient online tool, *iCommunity*. Recommendations can also be made in writing signed by the advisor. We accept written requests by mail, fax or e-mail. Forms and instructions will be provided by staff for this purpose. If using email, you can contact us at Grants@CommunityFirstFoundation.org.

Grants made to charities are accompanied by a letter from the Foundation that typically includes the fund name and the name and address of the advisor. This provides the grant recipient the opportunity to send an acknowledgement to the advisor. Upon request, grants can also be made anonymously.

The Foundation welcomes grant recommendations for the following:

- U.S. or U.S.-based nonprofit organizations (grant recipients are not limited to metropolitan Denver or Colorado.)
- General operating purposes, specific projects or programs.
- Disaster or emergency funds that are ongoing and help many people over time.
- Academic institutions that administer scholarship funds to individuals or to scholarship funds held by other nonprofit organizations.

- Nonprofit organizations to support fund-raising events or galas. However, if the advisor or other party related to the fund plans to attend the event or is provided a table as a result of the donation, the party must purchase his or her own ticket to attend. With a ticket purchased through personal funds (not through the donor-advised fund), the party may sit wherever assigned.

Examples of requests *not acceptable* by state or federal tax code:

- To purchase silent or live auction items or other goods or services at galas or events.
- To assist or support a specific person or family, including scholarships, humanitarian efforts, salaries or bills.
- To accounts set up to assist specific people following a catastrophic event, accident or injury, for example.
- To fulfill a pledge that the donor has previously made in his or her name or to fulfill the pledge of another.
- To pay for memberships or tickets to galleries, museums, public broadcasting stations, etc.
- To benefit the donor or any person related to the fund advisor or appointed advisor.
- To support political campaigns or lobbying activities.
- To support a private non-operating foundation.

Reporting and Reconciliation of Fund Balance

We make quarterly statements available to the donor or advisor. This statement will identify all actions that occur within the fund during that time period and investment results. More frequent reporting on grants and contributions is available for users of iCommunity. Typically, donor-advised funds experience no more than 12-15 transactions (donations and/or grants) per year.

Creation

A donor-advised fund at Community First Foundation is established via a donor-advised fund Agreement. This agreement outlines the relationship among the Foundation, the donor and the advisor.

Acknowledged:

_____	_____	_____	_____
Signature	Date	Signature	Date