

THE SAN FRANCISCO FOUNDATION

The Community Foundation of the Bay Area

Donor Advised Funds

A Donor Advised Fund with The San Francisco Foundation is an efficient and effective way for you and your family to manage your charitable giving. It offers you flexibility in when and how you recommend grants to the organizations of your choice; your Fund benefits from the expert investment management accorded to the Foundation's endowment; and the grantmaking resources of The San Francisco Foundation are available to you at any time to support your philanthropic initiatives.

DONOR BENEFITS

Simplicity: As the Foundation maintains complete records of your donations, there are no additional administrative or reporting requirements associated with your Fund.

Flexibility: You may recommend grants from your Fund at any time: there is no requirement to make grants by year-end, or to grant a certain percentage of your Fund's assets in any given year.

Family Involvement: You may involve your family in the charitable giving process by naming successor advisors, while avoiding the complexity of managing a private foundation.

Expert Investment Management: Your Fund's assets are invested alongside the Foundation's endowment, and thereby benefit from expert investment direction and long-term asset appreciation.

Tax Benefits: You may be able to take a charitable income tax deduction for the full value of your contribution in the year you make a contribution to your Fund.

Deep Grantmaking Expertise: With over 60 years of experience supporting nonprofit activity across five Bay Area counties, our Program department is available as a resource to you at any time during your philanthropic process.

FUND GUIDELINES

Fund Name

- You may establish a Donor Advised Fund in your name, your family's name, the name of a loved one, or any other name that has a special meaning to you. The Fund can also remain anonymous.

Advisor Selection

- You may name additional advisors to the Fund who can recommend grants, and successor advisors to ensure the Fund continues into the next generation.

Contributions and Fees

- The minimum initial contribution to establish a Donor Advised Fund is \$10,000.
- You may make contributions of cash, stocks, bonds, mutual funds, closely held securities, and certain private and restricted securities to your Fund. Gifts of other assets may also be accepted. Marketable securities generally will be sold upon receipt. All contributions to a Donor Advised Fund are irrevocable.
- An administrative fee of 1% of the first \$3,000,000 is assessed upon opening the fund and in subsequent years taken at 1% annually (25 basis points on the first day of each quarter) with a minimum fee of \$500 per year. Additional investment management fees are passed through directly to the account.

Income Tax Benefit

- The Foundation will provide written acknowledgement of all contributions to your Fund. You may be able to take a tax deduction (of up to 50% of adjusted gross income) in the year the contributions are made.
- Contributions of appreciated assets are valued at current market value, and generally no capital gains tax is due on these donations (if you have held the assets for over one year).

Investment of Funds

- Assets in your Fund can be invested in a balance of long-term and short-term investment pools and can be re-allocated as necessary. The long-term pool is invested in a broadly diversified mix of equities and fixed income securities.
- You will receive quarterly statements on the investment performance of your Fund.

GRANT GUIDELINES

- The San Francisco Foundation makes grants to 501(c)(3) public charities, 501(c)(3) private operating foundations, and government entities with United States affiliation. Grants can be made to 501(c)(4) organizations, but only for specifically-defined charitable purposes,
- The minimum grant recommendation amount is \$250.
- All grant recommendations are reviewed and approved by The San Francisco Foundation Board of Trustees.
- Grant recommendations received before 3 p.m. on Wednesday will be mailed that Friday, directly to the nonprofit organization (donors may not act as intermediaries). Exceptions include:
 - Grant recommendations of over \$25,000, which require an additional week to process.
 - Grants recommendations for which the Foundation must await evidence from the grant recipient of its nonprofit status. Any delay will depend on the organization's response time.
- Copies of the grant check cover letter are mailed to all pre-selected fund advisors and contacts.
- Grants cannot be made from donor advised funds to private non-operating foundations, international organizations or to individuals.
- Grants cannot be made from donor advised funds for memberships, fulfillment of pledges, tickets to events, or anything else that provides benefits to the donor.
- Donors, their advisors, and related parties may not receive grants, loans, compensation or similar payments (including expense reimbursements) from their donor advised funds.