

Donor Advised Fund Program Description and Guidelines



INTRODUCTION

This document outlines the policies, procedures, and operating guidelines governing donor advised funds administered by iGiftFund. It is intended to provide donors, financial advisors, and other partners with a clear understanding of how funds are established, administered, and distributed.

All donor advised funds are subject to the policies described in this document, as well as applicable federal and state laws and regulations governing charitable organizations.

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OVERVIEW OF THE DONOR ADVISED FUND PROGRAM

A donor advised fund is a simple and tax-efficient way to manage charitable giving. Contributions are made to iGiftFund, a public charity, and donors may recommend grants to qualified charitable organizations over time.

All contributions to iGiftFund are irrevocable charitable gifts. iGiftFund retains full legal control and discretion over all assets held within each Fund.

Donor Advisors may recommend grants and investment allocations, subject to review and approval by iGiftFund and in accordance with applicable IRS regulations and iGiftFund policies.

Donor advised funds may be established by individuals, families, corporations, trusts, estates, or other entities.

A Fund is established when:

- a completed donor advised fund application is received and approved by iGiftFund
- the required minimum contribution is received

2.1 Donor Advisors

Each Fund will have a designated Donor Primary Advisor (DPA) and may also include a Donor Joint Advisor (JA). Donor Advisors may recommend grants and provide guidance regarding the administration of the Fund, subject to review and approval by iGiftFund.

2.2 Fund Name

When establishing a Fund, donors may select a name for the Fund. Funds are commonly named after individuals, families, or charitable purposes. iGiftFund reserves the right to approve or modify Fund names as appropriate.

2.3 Succession Planning

When establishing a Fund, donors may recommend a succession plan to guide the administration of the Fund after the death or incapacity of the Donor Advisors.

Succession options may include one or a combination of the following:

Appointing Successor Advisors

Donors may name up to two Successor Advisors who will assume advisory privileges for the Fund. While only two Successor Advisors may be formally designated, families often choose to involve additional family members in the decision-making process.

Creating Separate Funds for Successors

Donors may recommend that the Fund be divided into separate donor advised funds for multiple successors. Each successor Fund must meet the minimum funding requirement of \$25,000.

Endowment Plan

Donors may elect to participate in an Endowment Plan, which allows the Fund to make recurring grants to one or more charitable organizations based on a percentage of the Fund balance.

Funds with balances of \$100,000 or greater may be eligible to participate. Recommended organizations must remain eligible to receive grants from iGiftFund at the time of each distribution. If a recommended organization is no longer eligible, no longer exists, or cannot otherwise receive a grant, iGiftFund will exercise its discretion, with the guidance of its Board of Directors, to identify an eligible charitable organization that aligns as closely as possible with the donor's original charitable intent, including the charitable area and/or purpose of the original recommendation. All recommended grants remain subject to iGiftFund review and approval.

Recommending Charitable Organizations

Donors may recommend one or more charitable organizations to receive final grant recommendations from the Fund. If more than one organization is recommended, donors must specify the percentage allocated to each organization, with total allocations equaling 100%.

To help ensure final grants remain meaningful and impactful, succession plans will typically be limited to no more than six recommended charitable organizations. Donors wishing to recommend more than six organizations may contact iGiftFund to discuss their succession plan. Additional organizations may be considered based on the anticipated Fund balance and other relevant circumstances.

Recommended organizations must be eligible to receive grants from iGiftFund at the time of distribution. If a recommended organization is no longer eligible, no longer exists, or cannot otherwise receive the grant, iGiftFund will exercise its discretion, with the guidance of its Board of Directors, to direct that portion of the Fund to an eligible charitable organization that aligns as closely as possible with the donor's original charitable intent, including the charitable area and/or purpose of the original recommendation. All final grants remain subject to iGiftFund review and approval.

Customized Disposition Plan

Donors may work with iGiftFund to develop a customized disposition plan that reflects their charitable goals and circumstances. Customized plans are subject to review and approval by iGiftFund.

No Succession Plan on File

If no succession plan is on file, the remaining assets of the Fund will become unrestricted and be transferred to the iGiftFund Philanthropic Fund. Under the guidance of iGiftFund's Board of Directors, consideration will be given to the donor's prior grantmaking history and charitable interests when determining future charitable distributions.

2.4 Financial Advisor

Each Fund must have an associated financial advisor responsible for managing the Fund's investment account at the selected custodian.

The term financial advisor refers to the investment professional responsible for managing the Fund's investment account. Financial advisors may include Registered Investment Advisors (RIA) or registered representatives of broker-dealer firms.

When establishing a Fund, donors may recommend a financial advisor to serve in this role. The financial advisor is responsible for providing investment management services for the Fund's assets and may assist donors in recommending grants.

Financial advisors are subject to review and approval by iGiftFund.

Changes to the financial advisor may be made by submitting the appropriate form available through iGiftFund.

iGiftFund retains ultimate authority over all investment accounts and activities associated with donor advised funds.

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CONTRIBUTIONS

3.1 Types of Contributions

Funds may be established with a variety of assets, including:

- Cash
- Publicly traded securities
- Closely held securities
- Real estate
- Life insurance
- Interests in privately held businesses
- Other complex assets approved by iGiftFund

All contributions are subject to review and acceptance by iGiftFund.

Certain contributed assets may require additional review or specialized liquidation procedures. iGiftFund may work with donors and their advisors to facilitate the sale or management of such assets, and certain assets may be held in kind when appropriate.

All contributions are irrevocable and may be tax deductible to the fullest extent permitted by law.

Once accepted, contributions become the property of iGiftFund, which retains exclusive legal control over all contributed assets. Donors may not impose material restrictions or conditions on their gifts, and all assets are used exclusively for charitable purposes.

iGiftFund reserves the right to accept or decline any proposed contribution.

3.2 Deferred and Testamentary Gifts

A Fund may be designated as the beneficiary of certain estate planning vehicles. Contributions may be made through:

- a bequest under a will or trust
- retirement plans such as an IRA or 401(k)
- life insurance policies
- brokerage accounts or other accounts that permit beneficiary designations
- charitable remainder trusts or charitable lead trusts

A Fund may be established in advance to receive assets through a future estate or beneficiary designation.

Donors should consult their financial, tax, or legal advisors when establishing any testamentary gift or deferred giving arrangement.

3.3 Third-Party Contributions

iGiftFund may accept contributions from individuals or entities other than the Primary or Joint Donor Advisors, subject to review and acceptance by iGiftFund.

Third-party contributors may include family members, related entities, corporations, trusts, estates, or other charitable organizations.

Third-party contributions must generally be \$1,000 or greater, unless otherwise approved by iGiftFund.

Third-party contributors receive the charitable tax acknowledgment for their contribution but do not receive advisory privileges.

iGiftFund reserves the right to review or decline any proposed contribution.

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TAX INFORMATION

4.1 General Tax Considerations

iGiftFund is a public charity recognized under Section 501(c)(3) of the Internal Revenue Code. Contributions to iGiftFund may be eligible for charitable income tax deductions to the fullest extent permitted by law.

Donors should consult their tax or legal advisors regarding the tax consequences of charitable contributions.

4.2 Deductibility of Contributions

Contributions to iGiftFund may be eligible for charitable income tax deductions to the fullest extent permitted by law. Donors who itemize deductions may be able to claim a charitable income tax deduction, subject to applicable IRS rules and limitations.

The amount and timing of any deduction will depend on the type of asset contributed and the donor's individual financial circumstances.

Under current federal tax law, contributions to public charities are generally deductible subject to the following adjusted gross income (AGI) limits:

- Cash contributions – up to 60% of AGI
- Contributions of appreciated assets – up to 30% of AGI

Unused deductions may generally be carried forward for up to five additional tax years.

4.3 Appreciated Assets

Donors may contribute appreciated assets, such as publicly traded securities, to their donor advised fund. In many cases, donors may receive a charitable deduction for the fair market value of the asset while avoiding capital gains tax on the appreciation.

4.4 Estate and Investment Considerations

Assets contributed to a donor advised fund are removed from the donor's taxable estate and may reduce potential estate tax liability.

Assets held in donor advised funds may grow through investment returns, and such growth is generally not subject to income tax.

4.5 Valuation of Contributions

The value of a charitable contribution is determined in accordance with applicable IRS rules.

Examples include:

- Cash contributions: value equals the amount contributed
- Publicly traded securities: generally valued at the closing market price on the date of contribution
- Mutual fund shares: generally valued at the closing price on the date of contribution
- Non-publicly traded assets: typically require a qualified independent appraisal to determine fair market value

Donors are responsible for determining the value of any charitable deduction claimed on their tax return.

4.6 Gift Acknowledgment

iGiftFund provides written acknowledgment of charitable contributions for tax reporting purposes.

Donors may be required to complete additional IRS forms, including **IRS Form 8283**, for certain non-cash contributions. Donors should consult their tax advisor regarding applicable reporting requirements.

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FUNDRAISING

Donor advised funds may not be used for fundraising purposes or to solicit contributions from the general public.

Contributions from third parties may be accepted at the discretion of iGiftFund but may not be conditioned on the recommendation or approval of grants to any specific organization.

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FUND STRUCTURE AND LIQUIDITY

Each Fund consists of two components:

- an **investment account** maintained at the selected custodian and managed by the Fund's financial advisor; and
- a **liquidity account** maintained at iGiftFund.

The majority of a Fund's assets are typically held in the investment account at the selected custodian. A small portion of the Fund's assets, generally approximately 1%, is maintained in the liquidity account. The

The majority of a Fund's assets are typically held in the investment account at the selected custodian. A small portion of the Fund's assets, generally approximately 1%, is maintained in the liquidity account. The liquidity account is invested in a competitive money market account and is used to:

- facilitate the timely processing of smaller grants
- cover administrative fees charged to the Fund

Maintaining this liquidity helps minimize transfers between accounts and supports efficient grant processing.

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INVESTMENTS

Each Fund must have a financial advisor responsible for managing the Fund's investment account. Donors may recommend their financial advisor to serve in this role.

Investment assets are typically maintained in an investment account managed by the Fund's financial advisor at a selected custodian. iGiftFund works with a variety of custodians and investment platforms.

Donor Advisors may work with their financial advisor to recommend an investment strategy for the assets held in their Fund, subject to the policies and guidelines established in the **iGiftFund Statement of Investment Objectives and Guidelines**.

iGiftFund's Board of Directors retains final responsibility and oversight for all investments held within donor advised funds.

If an investment strategy has not been specified, contributions will be held in the Fund's liquidity account until further direction is provided.

Financial advisors managing assets of donor advised funds must comply with the **iGiftFund Statement of Investment Objectives and Guidelines** and execute the **Investment Advisor Acknowledgment & Agreement** prior to providing investment management services.

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GRANTMAKING

Assets held in a donor advised fund are available only for charitable purposes. Donor Advisors may recommend grants to qualified charitable organizations at any time, provided that sufficient funds are available in the Fund and the proposed recipient organization meets applicable eligibility requirements.

Grant recommendations are advisory in nature and are subject to review and approval by iGiftFund to ensure compliance with applicable laws, IRS regulations, and iGiftFund policies.

Grants may not be used to satisfy pledges, provide personal benefits, or support non-charitable purposes.

8.1 Eligible Grant Recipients

Grants may be recommended to organizations recognized as tax-exempt public charities under Section 501(c)(3) of the Internal Revenue Code and classified as public charities under Section 509(a)(1), (2), or (3). Grants may also be made to **private operating foundations** and to governmental entities described in Section 170(c).

Eligible recipient organizations commonly include:

- Religious organizations and places of worship
- Schools and educational institutions
- Museums and arts organizations
- Environmental organizations
- Hospitals and healthcare organizations
- Scientific and medical research institutes
- Other IRS-recognized charitable organizations established for charitable purposes

8.2 Ineligible Grant Recipients and Uses

Under IRS regulations, iGiftFund cannot approve grants for:

- Individuals
- Private non-operating foundations
- Non-functionally integrated Type III supporting organizations
- Political campaigns or candidates, or activities intended to influence legislation
- Fulfillment of legally binding pledges or obligations
- Dues, membership fees, tuition, admission tickets, auction purchases, or similar payments that provide a personal benefit
- Bifurcated gifts where a donor pays the non-deductible portion and recommends the deductible portion from the Fund
- Goods or services provided by the recipient charity, unless the items are of nominal value

8.3 Grant Recommendations and Processing

Grant recommendations may be submitted through the donor portal or by submitting a signed grant recommendation form to iGiftFund.

Online submission through the donor portal is the preferred method and allows for faster processing and confirmation. Grant recommendations submitted via paper form require manual processing and may take longer to complete.

Each recommendation is reviewed to confirm that the proposed recipient organization is eligible to receive charitable funds and that the grant purpose complies with applicable IRS regulations and iGiftFund policies. If the eligibility or charitable status of the proposed recipient organization cannot be confirmed at the time the grant is reviewed, iGiftFund may decline or delay the grant recommendation.

If additional information or clarification is required, iGiftFund may contact the Donor Advisor before proceeding.

Once approved, grants are typically processed and distributed within approximately 5–7 business days, although certain circumstances may require additional review or processing time.

The minimum grant amount is \$100.

8.4 International Grants

iGiftFund does not make grants directly to foreign organizations.

Donors wishing to support international charitable activities may recommend grants to U.S.-based charitable organizations that conduct charitable work internationally or sponsor foreign charitable programs.

8.5 Donor Recognition and Privacy

Donors may choose how they wish to be recognized for their grant recommendations.

Recognition options may include:

- Full recognition (donor name, address, and Fund name)
- Partial recognition (Fund name only)
- Anonymous

Donor recognition information provided with a grant recommendation will be shared with the recipient organization in accordance with the donor's selected recognition preference. Donor contact information will not be shared unless the donor chooses to include it as part of the recognition.

8.6 Scheduled and Recurring Grants

Donors may establish recurring grants or schedule grants for future distribution to eligible charitable organizations, subject to iGiftFund review and approval.

Recurring or scheduled grants are a convenience feature that allows donors to schedule grant recommendations in advance. These grant recommendations are processed in the same manner as other grant recommendations and do not receive priority processing based on the scheduled grant date.

8.7 Grant Activity and Fund Usage

Funds may recommend an unlimited number of grants, provided sufficient assets are available in the Fund.

iGiftFund reserves the right to apply additional administrative fees or reasonable operational limitations to Funds that engage in unusually high volumes of grant recommendations or that function primarily as pass-through vehicles for charitable contributions.

If the amount of a recommended grant exceeds the available Fund balance, iGiftFund will request that the recommendation be revised or that an additional contribution be made.

8.8 Minimum Fund Activity

If no grant recommendations have been made from a Fund for three consecutive years, iGiftFund will make reasonable efforts to contact the Donor Advisors or associated financial advisor to request that a recommendation be made.

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FEES AND EXPENSES

iGiftFund charges an administrative fee to support the operation and oversight of the donor advised fund program, including grant administration, compliance, reporting, and donor services.

Funds are subject to a **minimum annual administrative fee of \$600**, which is charged quarterly in advance.

Investment advisory or custodial fees may be charged by the financial advisor or custodian managing the Fund's assets and are separate from iGiftFund administrative fees.

Costs associated with the acceptance, holding, or liquidation of complex assets may be charged to the Fund.

A current administrative fee schedule is available at iGiftFund.org/fees.

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FUND BALANCE AND ACCOUNT CLOSURE

To support the ongoing administration of donor advised funds, iGiftFund generally expects Funds to maintain a minimum balance.

If a Fund balance falls below the program minimum, iGiftFund may contact the Fund Advisor to discuss options, including making an additional contribution or recommending final grants from the remaining balance.

Because donor advised funds are subject to a minimum annual administrative fee, smaller balances may continue to incur fees over time. Donors with smaller balances may wish to recommend final grants and close the Fund to avoid continued administrative charges.

Once the Fund's investment account has been closed and final grant recommendations have been received, iGiftFund will process closing grants. Closing grants are generally issued within 30-45 days.

Residual balances of less than \$100 following final grant distributions and account reconciliation will be retained by iGiftFund to support program administration and general charitable purposes.

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PROGRAM CHANGES

GiftFund reserves the right to modify, amend, or update these Program Description and Guidelines at any time to reflect operational, regulatory, or programmatic changes.

For questions regarding these Program Description and Guidelines, please contact iGiftFund.

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