



community foundation<sup>SM</sup>

**St. Clair County**

**DONOR ADVISED FUND  
GRANT RECOMMENDATION FORM**

NAME OF DONOR ADVISED FUND:

\_\_\_\_\_

As the Advisor to the above-referenced Fund, I recommend that the Community Foundation of St. Clair County consider the following grant (one grant per request form):

Agency Name: \_\_\_\_\_

Agency Address: \_\_\_\_\_  
(street)

\_\_\_\_\_ (city) \_\_\_\_\_ (state) \_\_\_\_\_ (zip)

Contact Name/Title: \_\_\_\_\_ Phone/Fax: \_\_\_\_\_

Grant Amount: \_\_\_\_\_

Purpose: (please check)

- General Operating Support
- Capital Contribution
- Specific Program/Other \_\_\_\_\_

Special instructions (if any): \_\_\_\_\_

I understand that this recommendation is advisory only and that final authority over all distributions made by the Foundation rests with the Community Foundation of St. Clair County, whose authority it is to ensure that all grants are made for charitable purposes consistent with Internal Revenue Service guidelines and within the mission of the Community Foundation.

The grant suggested above does not represent the payment of any personal pledge or other financial obligation of mine, nor do I expect any direct or indirect benefit from this charitable distribution.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

## INSTRUCTIONS FOR USE

Please use this form when requesting a grant distribution from your Donor Advised Fund. Use one form for each grant request. Mail or fax the completed form to:

*Community Foundation St. Clair County  
516 McMorran Blvd.  
Port Huron, MI 48060  
Fax: (810) 984-3394*

## APPROVAL PROCESS

Upon receipt of your request, the Community Foundation staff will review the form to insure that all necessary information is included and verifies that the organization is a charitable organization eligible for funding.

Requests under \$25,000 are submitted to the President for approval. Requests over \$25,000 but under \$50,000 go to the Grants Committee. All requests over \$50,000 require approval by the Foundation Board. Following approval, a grant is made to the organization. We sincerely appreciate the opportunity to be of service to you in your charitable giving and welcome your suggestions.

## REQUESTS THAT DO NOT MEET IRS REGULATIONS

We appreciate the opportunity to be of service to you in your charitable giving. As a part of that service, it is important to comply with IRS regulations regarding Donor Advised Funds. In exchange for an irrevocable gift to a Donor Advised Fund, you receive a tax deduction. In order to preserve the integrity of this deduction, the Foundation cannot honor certain grant requests. Following is an explanation of requests that would not qualify.

- **Pledges** – this request would fulfill a commitment previously made by you. Relinquishment of control of the asset is essential to proving that an irrevocable gift was made. For example, control is not given up if the Foundation fulfills a charitable obligation or pledge made by the donor. The Foundation cannot be responsible for a donor's obligation even though the obligation is to a charity.
- **Memberships** – this request would result in a membership benefit to you. There are specific IRS rules regarding the deductibility of contributions for which donors receive a benefit. For example, when an individual pays for a membership to an organization and receives parking privileges, then the amount of the membership less the value of the parking privileges becomes the deductible amount. The rules are no different for contributions to Donor Advised Funds. Since donors receive a full tax deduction when a contribution is made to a fund at the Foundation, a Donor Advised Fund may not be used to pay for memberships in which the donor receives goods or services in exchange.
- **Dinners/Events** – the request would result in a benefit to you. There are specific IRS rules regarding the deductibility of contributions for which donors receive a benefit in exchange. For example, when an individual buys tickets to a fundraiser and receives a dinner as part of the cost of the ticket, then the amount of the ticket less the value of the dinner becomes the deductible amount. The rules are no different for contributions to Donor Advised Funds. Since donors receive a full tax deduction when a contribution is made to a fund at the Foundation, a Donor Advised Fund may not be used to purchase tickets to galas or any other type of charitable contribution in which the donor receives goods or services in exchange. Our intent is to protect the charitable deduction of your gift to the Community Foundation.

COMMUNITY FOUNDATION OF ST. CLAIR COUNTY  
DONOR ADVISED GRANT RECOMMENDATION

Date: \_\_\_\_\_

Name of Fund: \_\_\_\_\_

Agency Name: \_\_\_\_\_

Amount Requested: \_\_\_\_\_

Review Process:

| <u>STEPS</u>   | <u>APPROVAL</u> |
|--|-----------------|
| 1. Sufficient funds are available?   | _____           |
| 2. Agency is eligible?    Yes    No  | _____           |
| 3. Do we have proof of eligibility?    Yes    No                                       | _____           |
| 4. Any evidence of conflicts?    Yes    No   | _____           |
| 5. Approved by (circle):   |                 |
| President                      Grants Committee                      Board of Trustees |                 |
| Date approved: _____   |                 |
| 6. Notify donor  | _____           |
| 7. Letter and check to recipient   | _____           |
| 8. Enter grant into FIMS   | _____           |
| 9. Folder created with appropriate paperwork   | _____           |

Signed and Approved by: \_\_\_\_\_

Date: \_\_\_\_\_