

Donor-Advised Fund Grant Guidelines

Helpful Tips for Using Your Charitable Giving Account

With your donor-advised fund, you can enjoy supporting any 501(c)(3) public charity in the United States, including governmental, educational and religious institutions. Rest assured that Greater Horizons will exercise due diligence to make sure grants from your fund are given to organizations that have met 501(c)(3) IRS requirements.

In some cases, Greater Horizons may need to contact you and/or the suggested grant recipient for additional information before approving the grant. Following these guidelines will help expedite Greater Horizons' approval process.

A more detailed explanation of Greater Horizons' grant guidelines is included in the *Procedures for Establishment and Operation of Funds and Affiliated Organizations*, available at www.greaterhorizons.org/procedures.

GRANT SUGGESTIONS, RECOMMENDATIONS AND REQUESTS

Grants from your donor-advised fund must be made to charitable organizations. When making your grants, you may see the terms grant suggestion, grant recommendation and grant request. This is because Greater Horizons technically owns the assets in your fund, and any grant suggestions are subject to review and approval by Greater Horizons. However, Greater Horizons makes every effort to approve all grant suggestions that are made in accordance with IRS regulations.

GRANT SUGGESTION FORM

The Greater Horizons grant suggestion form will ask you to agree to the following terms:

To keep the IRS happy, in relation to this grant, I agree that every penny of this grant will be used for a charitable purpose, and neither I nor anyone I know will receive anything more than a coffee mug or any other incidental benefit in return.

EVENTS

You may use your fund to make grants to charities in support of their events, but here are a few things to keep in mind:

Tickets, Tables and Sponsorships

The full cost to attend events (both the tax-deductible and non-tax-deductible portions) must be paid from your personal bank account. You may pay any remaining sponsorship costs from your fund, as long as you do not receive more than an incidental benefit in return. Logo or name recognition in event materials is not considered more than an incidental benefit. When submitting a grant request for a sponsorship, please note in your grant suggestion that you will cover the full cost of the tickets or table separately.

Keep in mind that the amount that can be paid from your donor-advised fund is not always the tax-deductible amount published by the charity. Greater Horizons' staff can help you calculate what portion of the event sponsorship can come from the fund based on the benefits received. If you choose not to accept any benefits associated with a sponsorship, the entire amount may be paid through the fund.

EVENTS (Continued)

Raffles and Auctions

You may use your fund to support *fund-a-need* calls for donations at charitable events, but you may not use your fund to purchase raffle tickets or auction items.

MEMBERSHIPS

You may use your fund to cover the cost of a membership if the charity confirms that the full cost is 100 percent tax deductible. You may also use your fund to cover the cost of a membership if your grant suggestion states that you waive all benefits related to the membership.

SCHOLARSHIPS AND TUITION

You may use your fund to support a scholarship program administered by a 501(c)(3) public charity or educational institution, but you may not earmark dollars to assist a specific individual.

MISSION TRIPS, RACES AND OTHER DONATIONS IN HONOR OF INDIVIDUALS

You may make a contribution to a 501(c)(3) public charity or religious institution in honor of an individual as long as the charity exercises complete discretion and control over the donation.

Greater Horizons understands that many donations do not provide a direct benefit to an individual but are in recognition of an individual's fundraising efforts. Therefore, when submitting grants in honor of individuals, please explicitly state that the donations are "in honor of [individual's name]."

"In honor of John Smith's Mission Trip." or *"In honor of Jane Smith's 5k Race Team."*

PLEDGES AND COMMITMENTS

You may use your fund to fulfill commitments to 501(c)(3) public charities. However, Treasury and the IRS prohibit using the term "*pledge*" on grant checks or related correspondence. Instead, please reference "*donation*" or "*gift*" in your grant suggestion.