

Simple, Convenient, Effective:

Donor Advised Fund

The number one option for donors who value freedom, flexibility, and who plan to give to multiple causes throughout the year.

Getting Started Is Easy

A Donor Advised Fund, commonly known as a DAF, makes it easy for you to support the causes you care about, locally and across the country. Fostering a lasting impact is as simple as:

Give

Establish your customized Donor Advised Fund with a gift of \$10,000 or more — and the option to endow at \$50,000.

Give cash, appreciated assets, or other property, and work with our team and your advisors to shape a giving account that reflects your goals — whether you prefer flexibility or endowment, public recognition or anonymity, active engagement or a more hands-off approach.

Grow

Your fund grows through professionally managed investments, increasing your charitable impact over time. We invest according to your preferences, provide regular statements, and make it easy to add to your fund at any time — including through your estate — while receiving the maximum tax benefits allowed by law.

Grant

Recommend grants to the causes you care about, locally and nationwide, through our secure online portal. We handle the paperwork, offer personalized service, and connect you to opportunities to learn and engage alongside other philanthropists, amplifying the impact of your giving through local initiatives.

We take care of the administrative work for a modest support fee that is reinvested into local grants and programs, helping strengthen our region.

Consider a Donor Advised Fund if you:

- Seek simplicity and ease.
- Want to give any amount at any time.
- Wish to give to multiple causes and manage your giving from one convenient account.
- Aim to involve your family in your giving.
- Want to learn about the community and its needs through exclusive opportunities and events.
- Wish to sponsor events, without concern for benefits received.



Founded in 2001 by community-minded individuals, Yolo Community Foundation promotes philanthropy by serving as a public foundation through which community members pursue their own charitable goals, local nonprofits benefit from programs and events, and youth learn the meaning of community involvement and service. **Learn more at yolocf.org.**

Yolo Community Foundation administered by the Sacramento Region Community Foundation. **Learn more at sacregcf.org.**

Common Questions



What is a Donor Advised Fund?

Donor Advised Funds give fund advisors the ability to recommend grant distributions to legitimate nonprofit organizations or charitable causes. Donor Advised Funds are a highly personal way of giving without the responsibilities and costs that come with establishing and maintaining a private foundation.

What is a fund advisor?

A fund advisor is one or more persons named on the original fund agreement authorized to make grant distributions. Foundation staff will honor grant distribution requests made by those individuals based on the fund's stated purpose.

Can the Foundation help me determine where to give?

Yes. Our staff regularly assesses the community's needs and resources to be able to pass pertinent information along to you. We can work with you to create a plan that will help you reach your charitable goals, and we also encourage you to visit GivingEdge.org to learn about hundreds of local nonprofits.

What organizations qualify for a grant distribution?

Any tax-exempt, public charitable organization within the United States is eligible to receive a distribution, including nonprofits, schools, religious organizations, and government programs. You can also make a distribution to a Foundation initiative, endowment, or another fund at the Foundation. Though you may make a grant anywhere in the United States, we especially encourage giving in our local service area, which includes Sacramento, El Dorado, Yolo, and Placer counties.

How do I make a grant recommendation?

Once you've opened a charitable fund, you may recommend grants. Foundation staff will honor grant recommendations from the advisors named on the fund. Grant recommendations may be submitted online via the donor portal, which can be accessed through the Foundation website, sacregcf.org. Our staff will establish your account on the donor portal and provide details to access it. For more information about using the donor portal, visit sacregcf.org/user-guide.

How are distributions processed?

Grant requests are processed the first and third weeks of the month. During the month of December, grants are processed even more frequently. When the Foundation receives your request, our staff reviews the

recommendation, verifies the tax-exempt status of the recommended recipient, and performs any needed follow up. Depending on when we receive your request, it takes no longer than two weeks to make a distribution directly to the nonprofit recipient.

How are grant distributions acknowledged?

A letter from the Foundation accompanies each grant check to a charitable organization recognizing the name of your fund as the contributor, unless you wish to give anonymously. Regardless, your contact information remains private, and any thank you letters received from nonprofits will be forwarded to you through the Foundation.

When can I recommend a grant and how much?

As long as there is a spendable balance available in the fund, advisors can recommend grants anytime. We do ask that you make a minimum distribution of \$100.

What is my fund balance?

Quarterly fund statements are available on the online donor portal and can be viewed anytime. We always show the most current quarterly statement, as well as the previous year-end statement, and send an email when new statements become available. Fund statements indicate the balance of your fund, as well as the amount available to spend if your fund is endowed.

Do I need to make a grant every year?

Annual grant requests are encouraged. The Foundation does require that grants be made from your fund at least every three years. If you have an endowed fund, any funds remaining in your spendable balance by year-end will be returned to principal.

Are grant requests ever denied?

Grant recommendations are reviewed by staff to ensure they follow charitable giving regulations set forth by the IRS and policies established by our Board of Directors. Provided grant recommendations meet charitable guidelines, they will be approved. If a grant is denied, we will contact you to provide an explanation.

What if I serve on a nonprofit board?

You can still choose to make a grant recommendation to the agency provided you do not receive any personal benefit.

Laws and Regulations

Laws and regulations enforced by the IRS dictate many of the policies foundations like ours must follow. Ignoring these policies could result in fines to both the Foundation and your fund. Please help us safeguard the deductibility of your gift and our charitable status.

Can I support a lobbying organization?

Donor Advised Funds may not be used to make grants to support lobbying and/or advocacy efforts, including grants made to 501(c)(4) organizations organized for the purpose of either direct or grassroots lobbying as well as grants to 501(c)(3) organizations that are earmarked for specific lobbying purposes.

Can I use my fund to fulfill pledge payments?

Donor Advised Funds cannot be used to fulfill a legally binding pledge or other financial obligation on behalf of the donor, advisor, or other related parties to the fund. Advisors may, however, recommend that a grant be paid out over multiple years, subject to grant approval and annual due diligence. Contact Foundation staff if you are interested in making a multi-year commitment. We will be happy to develop a plan with you.

Is it acceptable to use my fund to purchase tickets, memberships, or other activities that result in tangible benefits?

Donor Advised Funds cannot be used to obtain tickets, memberships, dinners, sponsorships, preferred seating or other tangible benefits. If you are offered tangible benefits, please turn them down in writing. Some benefits such as sponsorships with minimal public recognition are considered to be incidental and are acceptable. Donors cannot use their funds to pay for the tax-deductible portion of their gift while the donor writes a personal check for the expenses.

Are individuals allowed to receive grants?

No grants to individuals may be made from a Donor Advised Fund, nor can a Donor Advised Fund give to a nonprofit organization to support a preselected individual. This includes scholarships, emergency hardship grants, or disaster relief grants. For example, a grant to a university for the benefit of a designated student is prohibited. If you are interested in opening a fund to provide scholarships, please contact Foundation staff about setting up a separate fund.

Can I grow my Donor Advised Fund with a Qualified Charitable Distribution (QCD) from my IRA?

No. IRS rules do not allow QCDs from an IRA to be contributed to a Donor Advised Fund. However, your QCD can be contributed to many other types of charitable funds, including Scholarship Funds, Field of Interest Funds, Nonprofit Funds, and our community's Impact Fund.

Can I raise money to increase the size of my fund?

You and your friends are always welcome to send additional gifts directly to your fund; however, fundraising events cannot be held in the name of your fund, nor can the Foundation pay vendors out of a charitable fund.

Can I be reimbursed from my fund?

No. Donors, advisors, or any related parties may not receive grants, loans, compensation or similar payments (including expense reimbursements) from Donor Advised Funds.

Contact Us

We are here to work with you, to answer your questions, and to help fulfill your philanthropic goals. Our knowledgeable staff can assist you with the details of your fund while connecting you with organizations and causes you care about.

If you have a question about your fund statement, where to send gifts, how to make a meaningful grant, or how to get your family involved, please call or email the Philanthropy Team at the Sacramento Region Community Foundation, which administers Yolo Community Foundation. If you are not certain who to contact, we will be happy to direct you.

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