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 the Greater Kansas City Community Foundation 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, the Community Foundation may need to contact you and/or the suggested grant recipient for additional information before approving the grant. Following these guidelines will help expedite the Community Foundation's approval process.

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

If you have any questions, contact Donor Services at service@growyourgiving.org or 816.842.7444.

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 the Community Foundation technically owns the assets in your fund, and any grant suggestions are subject to review and approval by the Community Foundation. However, the Community Foundation makes every effort to approve all grant suggestions that are made in accordance with IRS regulations.

GRANT SUGGESTION FORM

The Community Foundation's grant suggestion form will ask you to agree to the following terms:
To ensure fund activity follows IRS rules, 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 other incidental benefit in return.

MEMBERSHIPS

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

Here are examples of incidental membership benefits that you can receive in exchange for your grant from your donor-advised fund:

- Free admission to all exhibits
- Discounted or free parking
- Discounts at the gift shop
- Preferred access to special ticketed events where you pay for tickets separately
- Invitations to members-only exhibits
- Low-cost items, such as a newsletter, calendar, key chain or coffee mug

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.

Here is an example of what you can pay from your donor-advised fund for an event:

A $5,000 event sponsorship includes a table for 10 and your name or logo in event materials.
If the lowest ticket price to attend the event is $100, you will pay $1,000 for the table personally from your bank account ($100 × 10 seats at the table) and you can use your donor-advised fund to cover the remaining $4,000.

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. The Community Foundation's 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.

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.

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.

The Community Foundation 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."*

ATHLETIC FUNDS AND NIL COLLECTIVES

You may use your fund to support a college or university athletic program if your grant suggestion states that you waive all benefits, including priority seating at athletic events, ticket rights or points.

There is uncertainty about the charitable status of NIL collectives that facilitate name, image or likeness opportunities for student-athletes. If you are considering a grant to an NIL collective, please contact the Community Foundation prior to submitting a grant request.

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.