

DONOR ADVISED FUND

Giving to Meet Longterm Philanthropic Visions

A Donor Advised Fund allows donors—and their successors—to engage in philanthropy, while pursuing larger, longer term philanthropic goals. The Fund offers you all the Foundation’s services, knowledge, and resources to help make your giving more impactful.

Combine Tax Benefits and Flexibility.

Deposit an initial contribution or appreciated assets to enjoy the benefits of a private foundation, without the added expenses or administrative burdens.

Decide the timing of your grants to nonprofit organizations—unlike with a private foundation, there is no requirement to advise a grant from the fund in a given year.

Receive a tax deduction upon receipt of your donations into your Fund, if applicable.

Further Your Philanthropic Impact.

Assign successors (children, family, etc.) to continue advising grants past your lifetime.

Engage in specialized family giving services and participate in family discussions with Foundation facilitators to create a family philanthropic plan.

Have access to our library of donor resources, including knowledge reports and updates on philanthropic trends and research relevant to your giving interests.

Stay updated on local, regional, and national philanthropic trends and news that align with your interests or passions.

DONOR ADVISED FUND

How Your Gift Becomes a Grant.

STEP 1: Open a Foundation Fund.

STEP 2: Gift Money or Assets to Your Fund.

STEP 3: Grant Money to a Nonprofit.

STEP 4: Your Pennies Empower People!

Enjoy Managing Your Fund.

Utilize our online donor portal to distribute grants to the nonprofit of your choice, at the time of your choosing.

Monitor your fund activity online, receive quarterly fund statements, and the necessary paperwork at tax time.

Avoid capital gains by donating long-term appreciated assets into your Fund, including stock, real estate, mutual funds, and life insurance.

Receive acknowledgment for your grants or choose to remain anonymous.

Donor Advised Fund Fees.

The professional service fee for Donor Advised Funds is a minimum annual fee of \$300, with declining fees above \$1 million (see details below). Fees are assessed at the close of every quarter.

Fund Fair Market Value	Annual Fee	Quarterly Assessment
Up to the first million	1.25%	0.3125%
From \$1 million up to \$5 million	0.75%	0.1875%
From \$5 million up to \$20 million	0.50%	0.1250%
Amount above \$20 million	0.125%	0.03125%

DONOR ADVISED FUND



Notes.

The Penny Foundation has exclusive legal control over the assets. Donor advised funds are established by donors for unrestricted charitable purposes with the donor, or persons designated by the donor, retaining the right, for a specific period of time, to offer recommendations to the Foundation regarding the recipients and amounts of grants from the fund. The recommendations of an advisor may not be binding on the Penny Foundation, which must retain final authority to determine distributions from the fund. Accordingly, pledges of financial support cannot be honored and are not allowed. The right of a donor, or his or her designee, to offer advice is personal to that advisor and cannot be assigned or delegated beyond the limits set forth in the fund agreement.

Individuals, donors, and advisors may not receive grants, loans, compensation, or similar payments or any goods or services directly or indirectly in exchange for a grant from the fund. This includes any grant that is comprised of a deductible portion and non-deductible portion (tickets and/or tables to fundraising events, memberships whereby the organization has indicated receipt of non-deductible value in exchange for the gift, athletic program donations, and charitable auctions in exchange for an item with a market value).

Upon your death, resignation, or incapacity, if the Fund's net asset balance is less than \$1 million, one generation of your appointed successor advisors may continue to make grant recommendations from the Fund. If the Fund maintains a net asset balance of \$1 million or more, your successor advisors may continue to make grant recommendations from the Fund (and appoint following successor advisors) so long as the lineal descendants of the Fund founders remain active in the grant making process.

DONOR ADVISED FUND



Variance.

The Fund will be held and administered as a component fund of the Penny Foundation subject to the power of the Foundation to modify any restriction or condition which becomes unnecessary, incapable of fulfillment, or inconsistent with its mission. The Foundation agrees that if the Board proposes to exercise the variance power under Article IV of the Penny Foundation Articles of Incorporation, the Board will first notify the nonprofit in writing of (1) its intent to exercise such power, and (2) the manner in which the Foundation proposes to vary the purposes, uses, or methods of administration of the Fund. If the Foundation ceases to be a qualified charitable organization or if the Foundation proposes to dissolve, the assets of the Fund shall, after payment or making provision for payment of any liabilities or other amounts properly chargeable to the Fund, be distributed to the nonprofit.
