



Live. Give. Better Together.

[www.desmoinesfoundation.org](http://www.desmoinesfoundation.org)  
515.883.2626

## DONOR ADVISED FUND FREQUENTLY ASKED QUESTIONS

Donor Advised Funds are flexible and convenient, allowing donors to support a variety of charitable causes through their fund anytime they choose. These funds offer a simple, powerful and highly personal approach to giving.

### **What kind of grants can a Donor Advised Fund recommend?**

Donor Advised Funds can recommend grants to a variety of nonprofit organizations in support of charitable activities. However, you are not able to use your Donor Advised Fund to fulfill a pledge or purchase tickets or tables to fundraising events.

### **Can I make grants to churches and schools?**

Yes, churches and schools are charitable organizations that qualify to receive grants from your Donor Advised Fund.

### **Can I make a grant to a national charity?**

Yes, the Community Foundation facilitates grants to local and national charities.

### **Can these funds recommend grants to individuals?**

No. The Pension Protection Act of 2006 prohibits making grants from Donor Advised Funds, including scholarships, directly to individuals. Grants must always be made to a qualifying nonprofit organization.

### **Are grant requests ever denied?**

We have a legal obligation to deny grants that do not meet criteria established by law. This includes a grant request that is not charitable in nature, provides a direct benefit to the donor advisor or a related party or is directed to an individual.

### **Can I donate to my fund as much as I like?**

Yes. You can contribute multiple gifts to your fund anytime with a variety of gifts including cash, stock and real estate. Make a gift by contacting the Community Foundation or make a gift of cash to your fund on our website.

### **Can I invite others to give to my Donor Advised Fund?**

Yes others can give gifts to your Donor Advised Fund if the gifts are not designated for a specific purpose. We can provide a direct website link to your fund for online donations or donations can be mailed to our office. Active fundraising efforts (like events) cannot be held for your Donor Advised Fund.



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**Do grants have to be made every year?**

No. One advantage of establishing a Donor Advised Fund over a private foundation is that grants do not have to be made every year. However, if we are unable to contact fund advisors after three years of inactivity, the fund may be turned into a Designated, Better Together or Field of Interest fund that continues to meet the advisor's original intent.

**Can more than one person be an advisor?**

Yes. In addition to individuals, groups, boards and companies can also be named.

**Can a donor advisor change current advisors or name successor advisors?**

Yes. Successor advisors may be named at any time by the original fund advisors. Fund advisors can also be changed at any time. A majority of fund advisors must approve a change.

**How does an advisor recommend grants from a Donor Advised Fund?**

Complete and return the Grant Recommendation Form provided by the Community Foundation or recommend grants online through Manage My Fund.

**How often can grants be recommended?**

You can recommend grants as often as you like. We encourage you to make a minimum grant amount of \$100.

**If I establish a Donor Advised Fund that qualifies for Endow Iowa Tax Credits, when can I make the annual 5 percent distribution?**

Five percent of the previous year's fund balance is determined in February each year. You may grant this determined amount at any time during the year.

**If I don't grant five percent from my Donor Advised Endow Iowa Fund one year, can I distribute more the following year?**

Endow Iowa legislation mandates a maximum five percent distribution each year, regardless of the amount distributed in previous years.

*For more information about establishing a fund at the Community Foundation of Greater Des Moines contact us at 515-883-2626.*