



Marietta Community Foundation

# DONOR ADVISED FUNDS HANDBOOK





# TABLE OF CONTENTS

## INTRODUCTION

Letter From Heather Allender, President & CEO .....	4
Understanding the Foundation .....	5
Donating to the Foundation vs. Direct Donation to Organization .....	6-7
Donor Bill of Rights .....	8

## DONOR ADVISED FUNDS (DAF)

What is a Donor Advised Fund? .....	9
Investments & Spending .....	10
Adding to Your Fund .....	11
Recommending & Issuing Grants .....	12
Policies & Procedures .....	13
Family Philanthropy .....	14
About Us .....	15



To Our Potential Donors,

Thank you for your consideration in establishing a Donor Advised Fund with Marietta Community Foundation. We hope you understand how vital you are to our organization and the community of Washington County.

Charitable giving is a personal decision. When you donate to a nonprofit organization, you express your interests and your values. Our job at the Foundation is to help you make the most of your gifts by providing you with tax advantages, the highest level of customer service, and opportunities to learn more about our community.

When you choose to utilize our services, we will make every effort to ensure your generosity reaches its fullest potential.

Marietta Community Foundation is more than a charitable giving partner. It's a shared belief that through community support and committed donors, such as yourself, we are making OUR community a better place.

For Good. Forever.,

A handwritten signature in cursive script that reads 'Heather Allender'.

Heather Allender  
President & CEO



# UNDERSTANDING THE FOUNDATION

## OUR VISION

A community inspired through philanthropy.

## OUR MISSION

To improve the quality of life in Washington County by investing in the community's well-being and making decisions that positively impact future generations.

## OUR PROMISE

To utilize reasonable judgment, creative partnerships, diligent financial management, and strategic grantmaking to strengthen our community and connect people that care with causes that matter.

## CORE VALUES

### **Power of Philanthropy**

- Transforming lives and strengthening Washington County now and in the future.
- Remaining steadfast in our mission and our vision.

### **Service and Stewardship**

- Maintaining the highest standards of integrity in donor relations, institutional governance, and fiscal management.
- Engaging in action that promotes the common good for as long as the need exists.

### **Legacy**

- Honoring those who contributed to our area's prosperity and pledging to support those who will carry on that legacy.
- Valuing the intentions of donors and respecting their vision.

# BENEFITS OF ESTABLISHING A DAF VS. DIRECT DONATION



**JENNIFER CHRISTY**  
*JIM CHRISTY FUND  
FOR KIDS*

“Marietta Community Foundation is a great asset to anyone who wants to give back to this community. Not only do they make giving easier, but their expertise with local issues is phenomenal.”



**ERIC E. ERB**  
*ERB FAMILY FUND*

“The Foundation is a well-oiled machine; very efficient with no waste. Their due diligence will help protect your investments in this community.”

**EXPERTISE**

**SIMPLICITY**

**DUE DILIGENCE**

**ACCESS**

**TAX DEDUCTIONS**

**PRIVACY**

## ESTABLISHING A DAF

By establishing a DAF with the Foundation, you have the expertise of our Board of Directors and staff at your disposal. This includes security, investment, management, distribution, marketing, and many others.

When you establish a DAF with the Foundation, we take away any hassle associated with giving. We ensure the integrity of your fund remains intact, we take care of paperwork, and we distribute funds to the appropriate parties.

Our board and staff give each recipient of a grant proper due diligence to verify they are in good standing with the I.R.S., are in good financial health, and are well managed.

By establishing a DAF with the Foundation, you will have access to our staff through email, by phone, or by stopping into our physical location at 100 Putnam Street, Downtown Marietta.

By investing your assets in a DAF, you can receive an immediate tax deduction up front and then grant to your favorite organizations throughout the year. Think of your DAF as a “Charitable Checking Account.”

By establishing a DAF with the Foundation, individuals and grants can be kept private, even from a recipient organization. The Foundation also serves as a buffer between you and the grant-seekers.

## DIRECT DONATION

Donors who donate directly to a cause or nonprofit miss out on the expertise needed to leverage their gift to its optimum potential.

Donors who donate directly to a cause or nonprofit must keep their own records of all paperwork and disbursements throughout the year.

Donors who donate directly to an organization do not have that added insulation of due diligence provided by the Foundation. This leaves a potential risk of funds not being used as intended.

Donors who donate directly may find it difficult to reach contacts at the nonprofit or cause receiving their gift.

Donors who donate directly to various organizations receive tax deductions in increments throughout the year. They must also keep track of all deductions themselves.

Donors who donate directly to a nonprofit can be kept private from the public, but total anonymity within the organization is not an option.

## DONOR BILL OF RIGHTS

Philanthropy is based on voluntary action for the common good. It is a tradition of giving and sharing that is primary to the quality of life. To ensure philanthropy merits the respect and trust of the general public; and so our donors can have full confidence in Marietta Community Foundation, we declare each donor is entitled to the rights listed below.

### WE DECLARE THAT ALL DONORS HAVE THESE RIGHTS:

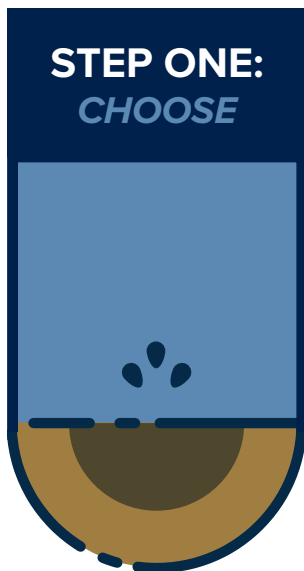
1. To be informed of Marietta Community Foundation's mission, of the way the Foundation intends to use donated resources, and of the Foundation's capacity to use donations effectively for their intended purposes.
2. To be informed of the identity of those serving on the Foundation's Board of Directors, and to expect the Board to exercise prudent judgment in its stewardship responsibilities.
3. To have access to the Foundation's most recent financial statements.
4. To be assured their gifts will be used for the purposes for which they were given.
5. To receive appropriate acknowledgment and recognition.
6. To be assured that information about their donation is handled with respect and confidentiality to the extent provided by law.
7. To expect that all relationships with individuals representing the Foundation and the donor will be professional in nature.
8. To be informed whether those seeking donations are volunteers, employees of the Foundation or hired solicitors.
9. To have the opportunity for their names to be deleted from mailing lists that the Foundation maintains.
10. To feel free to ask questions when making a donation and to receive prompt, truthful and forthright answers.



## WHAT IS A DONOR ADVISED FUND?

Think of Donor Advised Funds (DAF) as a “*Charitable Checking Account.*” Similar to normal checking accounts, DAFs allow you to deposit cash, stocks, and other assets for philanthropic interests. DAFs also give donors immediate tax deductions, yet still allow them to advise how their assets are used. Once a DAF is established with the Foundation, fundholders can grant from their fund to organizations, institutions, and/or causes of their choosing. In accordance with industry standards, all recipient groups are given due diligence by the Foundation and its Board of Directors.

## THREE EASY STEPS TO GROW YOUR DONOR ADVISED FUND



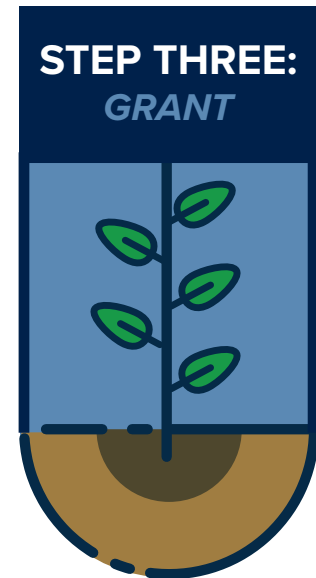
### CHOOSE HOW TO PLANT YOUR DAF WITH US

- WORK WITH A FINANCIAL ADVISOR
- USE OUR EXISTING INVESTMENT POOLS



### DONATE TO NURTURE YOUR DAF

- CASH
- STOCKS
- LIFE INSURANCE
- OTHER ASSETS



### REAP THE HARVEST AND GRANT FROM YOUR DAF

- LOCAL NONPROFITS & CHARITIES
- NATIONAL NONPROFITS & CHARITIES
- FAVORITE CAUSES & ISSUES

# INVESTMENTS & SPENDING

Marietta Community Foundation invests its funds to provide a stable resource for our region that responds to today’s needs while also preserving and enhancing the real value of funds for future needs. Component funds are invested in one of two investment portfolios and are pooled with other assets to achieve greater investment diversification.

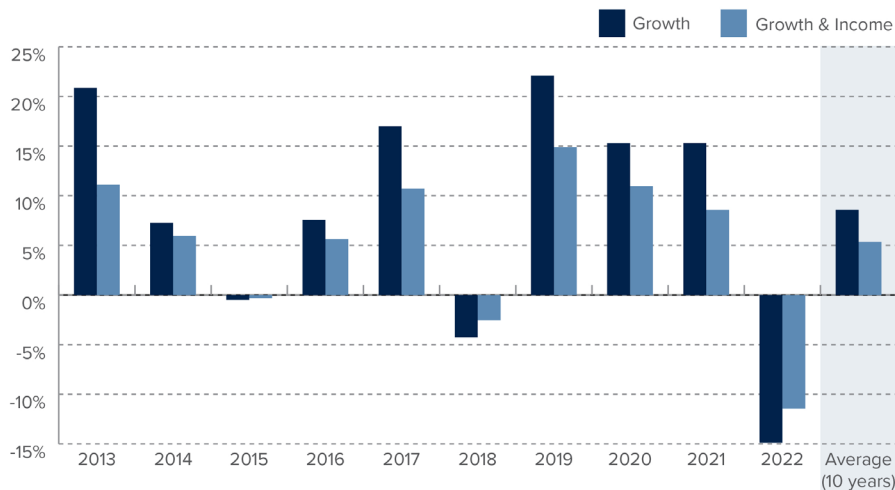
The Foundation’s objective is to retain — and wherever possible, to increase — the purchasing power of the funds, in addition to producing a reasonable return for distribution.

The Foundation’s investment practices ensure that we operate at the highest possible standards for our donors meeting both the requirements for accreditation with National Standards for U.S. Community Foundations and UPMIFA (*Uniform Prudent Management of Institutional Funds Act*).

The Foundation’s Finance Committee makes recommendations to our Board of Directors on investment policy and strategy, while also monitoring investment managers. The Foundation has chosen Peoples Bank as its primary investment manager, as the firm is experienced in managing money for institutional clients with similar investment styles and they have displayed a record of stability in retaining and attracting qualified investment professionals, as well as a record of managing asset growth effectively, both in gaining and retaining clients. In addition, their fees are extremely competitive with industry standards.

If a donor wishes to opt for a separate financial advisor to handle their fund’s assets, they are able to do so. The chosen advisor must adhere to the Foundation’s Investment & Spending Policy.

## INVESTMENT GROWTH 2013-2022



## ADDING TO YOUR FUND

In order to establish and maintain a DAF, your fund must keep a minimum balance of \$2,500. Additional gifts should be made payable to Marietta Community Foundation Gifts of an uncommon nature (i.e. real estate, art, etc.) will be considered on a case-by-case basis by our Board of Directors. All information regarding your fund may be obtained by contacting the Foundation staff.

### MINIMUM REQUIREMENTS

If there is a negative shift in the market and your fund's balance becomes less than the \$2,500 minimum, you will be unable to distribute grants. If this occurs, the Foundation will notify you. Once your fund exceeds the minimum amount, you may continue to support the organizations that interest you.

If you are unable to maintain the minimum requirements, the full balance of your fund may be distributed to organizations or causes that interest you or transferred to the Foundation's unrestricted funds.

### YEAR-END GIVING & GRANTING

December is an excellent time to consider giving a last minute gift before the year ends. If you plan to make a gift of stock, especially at the end of the year, please notify us as soon as possible. This way we can make the appropriate accommodations to handle your gift in a timely manner.

If you wish to make year-end gifts to nonprofit organizations from your DAF, you may do so. Please notify the Foundation of any year-end giving by December 15th. This will give the Board of Directors enough time to review and approve the request before December 31st.

### CURRENT & FUTURE ASSETS TO ADD TO YOUR DAF

- Cash
- Marketable Securities
- Real Estate
- Life Insurance
- Retirement Plan\*

\* Donors who are 70.5 or older can donate up to \$100,000 from their IRA's without first counting the distribution as income.

## RECOMMENDING & ISSUING GRANTS

### RECOMMENDING GRANTS

Grant recommendations may be initiated by contacting the Foundation or filling out the Donor Recommendation Form (located on our website). Grants can be recommended to support specific causes and nonprofit organizations.

When recommending a grant, we ask that you provide the following information:

- Name and address of the nonprofit organization
- The amount and purpose of the recommended grant
- Any special instructions
- If you wish to remain anonymous

### ISSUING GRANTS

Grants may be issued to 501(c)3 organizations in Washington County and throughout the U.S. For those with multiple residences, this provides a simplified and convenient way to make charitable gifts to organizations in several communities.

Once the Foundation performs the proper due diligence, we will issue a check to the charity with a grant letter stating that the gift is from the specific Donor Advised Fund and the purpose of the gift. Gifts may be made anonymously if the donor so wishes. Gifts may also be given in memory or honor of a cherished loved one. Copies of the letter are sent to the donor.

Grants cannot be issued for the following purposes:

- To pay dues, pledges, or purposes for which the donor gains personal benefit
- Purchasing tickets, charitable auction items, or sponsorships at fundraising events
- Gifting to individuals



**GRANT TO YOUR FAVORITE CAUSES,  
ORGANIZATIONS, OR THE FOUNDATION**

# **POLICIES & PROCEDURES**

## **INACTIVE FUNDS**

Should fund activity stop for a three year period, during such period of inactivity, the Foundation will take steps to activate the fund.

These steps may include such activities as:

- Notifying the fund advisor annually to encourage the fund advisor to activate the fund
- Distributing grants from the fund to qualified grant recipients that align with the donor intent

If the DAF is inactive for a period of three years and attempts to activate the fund have been unsuccessful and no grants have been made as provided above for three or more years, then the Board of Directors of Marietta Community Foundation may transition the fund to an unrestricted fund, while still recognizing the donors by keeping the original name of the fund.

## **FUND REQUESTS**

The Foundation is involved with most of the charitable, civic, economic development, cultural, educational, healthcare, and social service organizations in the Washington County Area. When the Foundation receives requests for funds from these organizations, the Foundation may contact donors should such requests be in the fields of interest the donors have identified. Donor Advisors will receive periodic reports on their fund balances in the frequency they request (quarterly, semi-annually, or annually).

## **I.R.S. REGULATIONS**

In compliance with Internal Revenue Service regulations, the Foundation must have control over the donation and exercise asset management of the fund. Donors advise the Foundation on the recipients of distributions, but the Foundation's Board of Directors retains the right to make final determinations on all distributions from the fund.

## FAMILY PHILANTHROPY

Many people enjoy introducing their children and grandchildren to an ongoing tradition of philanthropy. Approaching philanthropy as a family can be a way to deepen the bonds between loved ones while simultaneously impacting the causes that matter to you.

### GIVING BACK TOGETHER

Giving back together provides many benefits, including:

- Passing on philanthropic values and the spirit of giving to the next generation
- Encouraging the next generation to give their resources
- Establishing or continuing a family philanthropic legacy
- Exposing family members to the needs of the community
- Bringing the family closer while learning more about each other's interests
- Teaching family members how to give effectively
- Finding a common-ground for working together
- Recognizing and celebrating the family's history and values
- Fostering a mindset of abundance while having fun together

If you would like to achieve these goals, we suggest that you start a DAF with your children and/or grandchildren. By combining resources with parents or siblings you can increase your impact and work toward a common goal—perhaps memorializing a loved one or supporting a shared passion.

Some families choose to contribute to their charitable fund rather than purchasing holiday gifts because it simplifies the busy holiday season and it allows for maintaining and celebrating the true spirit of generosity.



#### **JOHN WHARFF III**

*BIG JOHN WHARFF ATHLETIC FUND,  
WMOA FOUNDATION FUND*

“The idea that I can make a monetary donation on behalf of, or in the memory of an individual or family is my ‘go to’. I know flowers last a week, hand-written notes hopefully a little longer, but I’m certain that our donations to MCF under the watch of their good stewardship will transcend generations.”

## ABOUT US

Marietta Community Foundation is a prominent grant making organization in the Mid-Ohio Valley and the leading funder in Washington County, Ohio. With more than \$47 million in assets, MCF currently oversees more than 350 component funds. The Foundation handles all administrative and investment responsibilities for these funds, allowing fundholders to pursue their charitable missions.

### OUR STAFF

Heather Allender ..... President & CEO  
Britani Merritt ..... Donor & Program Services Director  
Meredith Saboley ..... Operations Assistant  
Courtney Wentz ..... Communications & Marketing Director

### OUR BOARD OF DIRECTORS

Roland Riggs, *Chair* ..... Retired, City of Marietta  
Teri Ann Zide, *Vice Chair* ..... Teri Ann's  
Mike Buell, *Treasurer* ..... Retired, Buell & Sipe Co. LPA  
Tatum Parmer, *Secretary* ..... STP Healthcare Consulting  
Ryan Elliott ..... Northwestern Mutual  
Ryan Robinson ..... H.G. Energy, LLC  
Carol Schneeberger ..... Retired, Peoples Bank  
John Wharff III ..... WMOA-WJAW  
Jill Witucky ..... Pioneer Group



# Marietta Community Foundation



740-373-3286



heather@mcfohio.org



www.mcfohio.org



100 Putnam St. Marietta, OH 45750



@mcfohio