

Giving made easy

What is a donor-advised fund and the benefits?

Your donor-advised fund at ProvisionBridge is an easy, tax-efficient way for you to manage all your charitable giving to those in need.

When you make a contribution to your fund at ProvisionBridge, it typically qualifies you for an immediate federal income tax deduction up to the maximum allowed by law. You have the privilege of recommending grants to most public charities at any time – now or in the future. The fund also makes it easy to keep track of all your giving in one place with regular reports on contributions, grants, investment income, and fund balance.

What is a donor-advised fund?



The most popular giving vehicle in America, the donor-advised fund is a special type of giving account for an individual, family, foundation or corporation to manage their charitable giving. While the account is owned by the sponsoring charity, the donor maintains advisory privileges in how funds in the account are granted and invested.

With each contribution, the donor receives a charitable contribution receipt. Contributions are irrevocable. Balances are available for investment and charitable granting to public charities.

(defined in IRS Code Section 4966)



Getting started

What are the steps for establishing my fund?

To get started, you'll need to complete the Fund Application which requires you to make the following decisions:

Identify the Donor on Your Fund

Any individual at least 18 years old, other charities and private foundations, and business entities can set up a fund. An individual must be named as the donor for the fund on the application. As a donor, you enjoy the privilege of naming your fund, recommending grants, and recommending a succession plan. Each donor is required to read this Program Guide and sign the donor application.

Name Your Fund

Provide a name for your fund on the application. This name will appear on grant checks from your fund, unless you ask to remain anonymous. For example, you may name the fund for yourself (The John Doe Gift Fund), for your family (The Doe Family Gift Fund), in memory of someone, or for a particular cause (Help the Homeless Gift Fund).

Authorize Advisors

An individual must be named on the application as the primary advisor. As the donor, you may act as the primary advisor. If you wish, you may also authorize additional advisors to make grant recommendations. You may change advisors at any time by written request.

Make an Initial Contribution

An initial contribution of at least \$5,000 is required to establish your fund. You may make your gift by cash, credit card, bank wire or the transfer of publicly traded securities or mutual fund shares. Please make checks payable to ProvisionBridge, or provide your credit card information on the application. Call us for instructions on how to make wire transfers or asset gifts.

Get started in
3 simple steps



Understand

Read this **Program Guide** to understand the policies



Apply

Complete and return the **Fund Application**



Contribute

Make your initial contribution of **at least \$5,000**

Making contributions

What can I give?

Once your fund is established, you can make contributions at any time in any amount. Anyone else can contribute to your fund as well but only you and your designated advisors have advisory privileges. We will issue a charitable contribution receipt for all gifts and every contributor is entitled to receive all the tax benefits allowed by law. After we accept a contribution, it is irrevocable and no restrictions or conditions can be placed on the gift.

Ways to Contribute



Cash:

U.S. dollars, check, credit card, or wire transfer

Publicly Traded Securities:

stocks, bonds and mutual funds that we liquidate in a timely manner so the proceeds can be placed in your fund

Other Assets:

gifts of real estate, closely held business interests, and other non-liquid assets will be considered on a case-by-case basis



Recommending grants

How does the process work?

Who:

You have the privilege of recommending grants to charitable organizations subject to the review of each organization's tax-exempt status and approval by our Grant Review Committee.

When:

You can recommend grants at any time although contributions must stay in your fund for at least one month prior to distribution.

How:

You and your designated fund advisors may recommend grants from your fund by sending us a signed **Grant Recommendation Form**.

How much:

Each grant recommendation must be for at least \$500.

How long does it take:

We carry out a review process for the recommended organization. Following approval, a grant check is typically sent to the grantee within a week. *If the organization you recommend has not been previously vetted, the process is likely to take a bit longer. Grants are considered in the order in which they are received.*

How often:

You may make up to 10 grants a year at no charge. Additional recommendations are assessed an Administrative Grant of \$20.00. There is no minimum number set for annual grant recommendations. *If you don't make any approved grant recommendations for two years, we will make a grant of 5 percent of your fund value to The ProvisionBridge Fund. This will occur at the end of the second year and each year of inactivity that follows. The Provision Bridge Fund is a charitable giving fund managed by the ProvisionBridge board and is established to meet the needs of poor and needy individuals and families.*

Other restrictions: By law, we cannot grant directly to individuals, private foundations, or Type III supporting organizations. We are also prohibited from making grants that personally benefit a donor or related party in any way. This includes requests to tuition, goods at a charitable auction, or to pay for dinners, events, and memberships that have a non-deductible portion. In addition, grants cannot be made for lobbying purposes or to support political campaigns. Upon discovery of any such prohibited grants, we have the right to take remedial action and may require that the grant be returned or replaced by the donor.

Determining successors

What will happen to my fund in the future?

To carry on your legacy of giving, you may wish to designate one or more successors for your fund. Successors must be 18 years old. You have the option of splitting the value of your fund into separate gift funds for each successor advisor or charitable beneficiary.

Or you can name a set of recommended distributions to fully deplete your fund that will take place when you are no longer able to make recommendations. You can indicate your desires for succession on the Fund Application and you can modify your plan at any time by just giving us notice.

In the event that your succession plan is not complete, or your successors are unable or unwilling to fulfill their role, or if your charitable beneficiaries are no longer qualified recipient organizations, then your fund will be granted to The ProvisionBridge Fund upon your death or permanent incapacity.



Understanding administration

How is the fund managed?

Investments

Donor-advised funds at ProvisionBridge are invested in money market accounts to provide stability of account value. Account balances are not assessed fees when invested in money market. Returns from the money market investment are used to cover the operating costs of ProvisionBridge.

Allocations

On a case-by-case basis, ProvisionBridge may consider investment recommendations to use a third party manager. If you have an independent third-party investment manager, then investment expenses will be allocated from your fund to offset the manager's fees, along with brokerage fees and commissions assessed for transactions, as well as an allocation to cover any additional operating costs. If you make a noncash gift, a grant from your fund will be allocated to our Operating Fund in an amount sufficient to cover the costs associated with processing the noncash gift.

Statements

You will receive quarterly reports that indicate the current asset value of your fund as well as your activity for the previous quarter.

