



DONOR ADVISED FUND  
**HANDBOOK**

THE OREGON COMMUNITY FOUNDATION

# **YOUR FUND** *at a* **GLANCE**

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Fund Name: \_\_\_\_\_

Fund Type: \_\_\_\_\_

Date Established: \_\_\_\_\_

MyOCF User ID: \_\_\_\_\_

MyOCF Password: \_\_\_\_\_

Donor Relations Officer: \_\_\_\_\_

Philanthropic Advisor: \_\_\_\_\_

Notes: \_\_\_\_\_

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## THE OREGON COMMUNITY FOUNDATION

**PORTLAND**  
503.227.6846

**BEND**  
541.382.1170

**EUGENE**  
541.431.7099

**MEDFORD**  
541.773.8987

**SALEM**  
503.779.1927



# DONOR ADVISED FUND HANDBOOK



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*Elowah Falls, Columbia River Gorge*

## ***Welcome to OCF***

Thank you for choosing to partner with The Oregon Community Foundation for your philanthropy. We look forward to working with you to support what you love and to respond to your community's needs.

This handbook provides information you'll find useful as you practice your personal giving through your donor advised fund.

OCF's professional staff is available to be a resource for your philanthropy. We encourage you to use your donor relations officer as a resource and guide.

***We look forward to working with you!***

# MAKING GRANTS *From* YOUR FUND

A donor advised fund offers a personalized approach to philanthropy. As a fund advisor, you actively participate in grantmaking to nonprofit organizations. OCF staff works with you to understand your charitable interests in order to connect you with organizations or projects that match your goals. You also have a wealth of firsthand knowledge of your community's needs, and we encourage you to share your observations and knowledge with staff.

## GRANTMAKING PROCESS:



Tina French, Fund Advisor, North Coast

### Step 1: Submitting Grant Recommendations

- *What types of organizations can I support?* You can make grants to support 501(c)(3) nonprofit organizations, schools, religious institutions, government entities and federally recognized tribes.
- *How often can I make grants?* OCF encourages you to make grants throughout the year.
- *How do I submit my recommendation?* Recommendations must be received in writing (email, U.S. mail or fax) or via our online system, MyOCF.
- *What information does OCF need?*
  - a. Name of the grant recipient
  - b. Grant amount: Grant recommendations of \$1,000 or more are preferred. The minimum grant amount is \$500.
  - c. Grant purpose (e.g. general support or project-specific support)

### Step 2: Due Diligence

Before awarding a grant to an organization, OCF staff performs due diligence to confirm that:

- The organization is a qualified nonprofit organization in good standing, government entity or federally recognized tribe, and;
- Its purpose aligns with OCF's mission. In addition to confirming an organization's tax-exempt status, we review program descriptions, board members and budget information.

Due diligence must be completed the first time an organization receives a grant and periodically thereafter.

### Step 3: Grant Approval

- Grants of \$50,000 or less are approved weekly. All others are submitted for monthly approval.

### Step 4: Grant Award

- Grant award letters and check are sent to grant recipients.



Women's Safety & Resource Center, Coos Bay

## IMPORTANT TO REMEMBER

- Grants may be made anonymously. When you submit your grant recommendation, please let us know if you wish your grant to be anonymous.
- Multiyear grants: If you wish to support an organization for several years, you may make a multiyear grant recommendation. When you make your recommendation, please indicate the duration and amount of the grant (e.g. a \$5,000 grant for three consecutive years).
- International grants are allowable when the organization has non-profit status in the U.S.
- Over the lifetime of the fund, OCF requires that at least 50 percent of its distributions remain within Oregon.
- Grantmaking from advised funds is flexible. However, there are a few things advised funds cannot support. In accordance with IRS regulations, grants may not be used for the following purposes:
  - To fulfill a pledge made to a nonprofit.
  - To support a political campaign.
  - To purchase raffle tickets, memberships, benefit tickets or tables, sponsorships, or any activity that provides a benefit to you.
  - To pay for personal expenses, such as tuition, or to benefit a named individual.

MyOCF



**MyOCF** is an online fund management tool that is accessed through our website. **MyOCF** allows you to review financial statements, generate a grant history report, recommend grants and add to your fund. **MyOCF** offers online grantmaking 24 hours a day! You can also check your fund balance and view your grantmaking history.

**CONTACT YOUR DONOR RELATIONS OFFICER FOR LOGIN INFORMATION.**



FOLLOW US ON FACEBOOK  
TheOregonCF



FOLLOW US ON TWITTER  
@TheOregonCF



Portland Fruit Tree Project

## MAKING GIFTS *to* YOUR FUND

You made an initial gift to establish your fund, but did you know you can add to your fund at any time? Gifts may be added to your fund in several different ways and Foundation staff is available to assist you.

### Gifts of Cash

- Make checks payable to "The Oregon Community Foundation" with the name of your fund in the memo line.
- Use our online system, MyOCF, to add to your fund with a credit card.
- Contact your donor relations officer for cash wiring instructions.

### Gifts of Stock and Mutual Funds

- Contact your donor relations officer for stock transfer instructions.
- All stock gifts are liquidated upon receipt; all additions to your fund are net of any transactional fees.

### Gifts of Real Estate, Closely Held Stock or Other Complex Gifts

- OCF's philanthropic advisors are available to support your philanthropy when you have more complex gifts. Your donor relations officer will connect you to the appropriate staff member.

### Gifts That Leave a Legacy

- Gifts from bequests, living trusts and charitable remainder trusts may also be added to an existing fund.
- OCF's philanthropic advisors are available to answer your questions.

### STOCK GIFT REMINDER

OCF is unable to sell gifts of stock until we have identified the donor. Please contact your donor relations officer with the following information BEFORE initiating a stock gift:

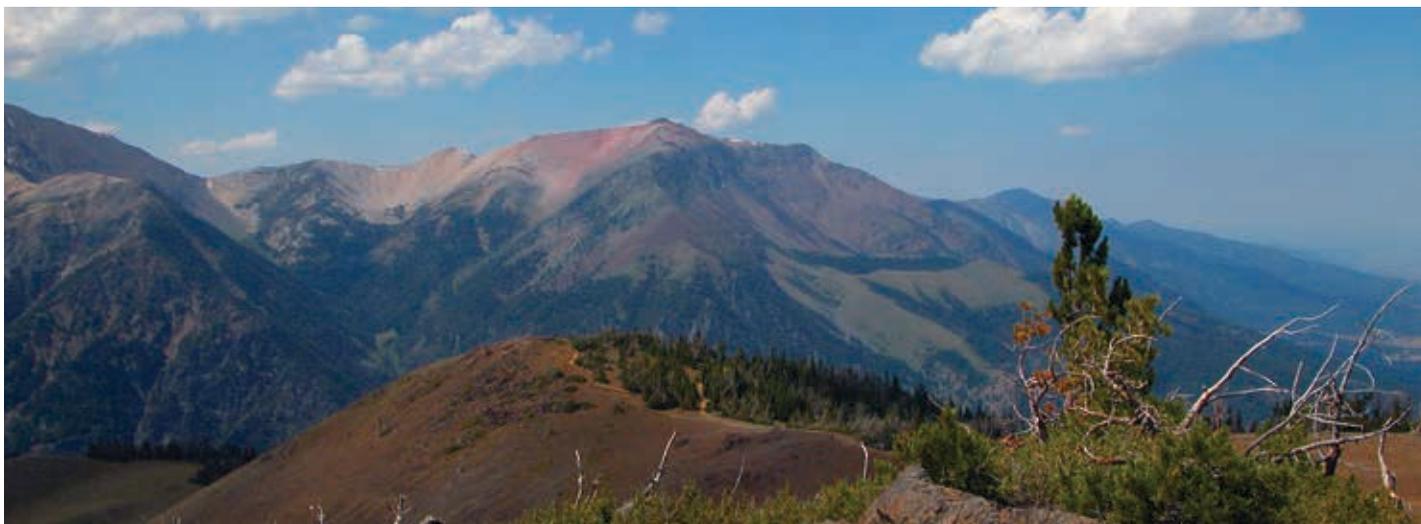
- Name and quantity of shares
- Name of fund to which proceeds should be added



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### YEAR-END ALERTS

- Many advisors wish to recommend grants at year-end. Please submit your recommendation by December 10 in order for the organization(s) to receive the grant by December 31.
- Cash gifts postmarked by December 31 will be recorded for that tax year.



Wallowa Mountains, northeastern Oregon

## TOOLS TO *Enhance* YOUR GRANTMAKING

In addition to managing the administrative details of your fund, OCF provides you with many opportunities to learn, lead and grow as a philanthropist.

### **OCF Reaching Out to You**

Twice a year OCF will send you updated information on your advised fund. The timing of this communication coincides with OCF's competitive grantmaking program and other OCF-led initiatives. Information sent to you will include:

- A Foundation update
- Your fund financial statement, showing earnings and the amount available for grantmaking
- A list of recent grants from your fund
- A list of grant suggestions tailored to your interests
- A grant recommendation form

### **Funding Opportunities**

You can make grants throughout the year. You will be offered the opportunity to support requests received through the Community Grant Program, our semiannual competitive grantmaking program. Applications to this program are submitted by Oregon-based nonprofits, reviewed and vetted by staff and volunteers, and shared with you.

OCF also supports programs to build a stronger Oregon. With your advised fund you can partner with OCF to fund causes such as education, arts and culture, and engaged and sustainable communities. Please visit our website for the most up-to-date information about these programs.

#### **IMPORTANT REMINDER:**

You can recommend grants year-round. Grants of \$50,000 or less are approved on a weekly basis. Grants over \$50,000 are approved monthly.





*Magdalene Home, Medford*

### **Opportunities to Learn**

- **Forums:** OCF offers programs that address topics of interest to donors. These programs provide you with an opportunity to meet other donors as well as individuals working in the nonprofit sector.
- **Connecting to Nonprofits:** OCF is in close communication with nonprofits and we are available to gather more information about the nonprofit community for you. If you would like to visit a nonprofit, we are happy to coordinate a meeting.
- **Research and Analysis:** OCF's research team conducts impartial research on Oregon and evaluates OCF's large, statewide grant programs. Much of the research is available online. Your donor relations officer can also provide you with information on specific areas of OCF's work.

### **Family Philanthropy**

Many OCF fund advisors want to encourage family members to carry on their own practice of philanthropy. For decades, OCF has worked with families to help them achieve their philanthropic goals. Today, OCF's Family Giving Center provides specialized services to individuals interested in engaging others in their giving, be it family or friends. OCF's trained staff can help you develop a strategy based on your shared values to support the communities you care about. If you have questions or would like to know more about the services and pricing, please call your Donor Relations Officer or email us at [familygivingcenter@oregoncf.org](mailto:familygivingcenter@oregoncf.org).

### **GRANTMAKERS of Oregon and Southwest Washington**

OCF fund advisors are also members of GRANTMAKERS of Oregon and Southwest Washington ([www.gosw.org](http://www.gosw.org)). This membership organization serves the philanthropic community, providing information and networking opportunities. We hope you take advantage of the many membership benefits available through GRANTMAKERS, and we encourage you to visit their website to learn more and to sign up for their newsletter.

# INVESTMENT PROGRAM *and* FEES

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*Food for Lane County, Eugene*

OCF invests its funds to provide a stable resource for Oregon. This allows the Foundation to respond to today's needs while preserving and enhancing the value of funds for future needs. The investment strategies for permanent and nonpermanent funds are distinct because the Foundation and its donors seek to achieve different goals with each type of fund.

## **Investment Program**

Donor advised funds are charitable vehicles that allow individuals, families and businesses to utilize the power of a community foundation to support their philanthropy. Your fund has specific operating parameters and can be defined as either permanent or nonpermanent.

- **Permanent Funds** are invested in either our main or socially responsible investment pool. The objective is to retain and increase the purchasing power of the fund, while at the same time produce a reasonable return for distribution to meet current community needs. A percentage of the fund's average fair market value will be available for grantmaking each year. A new permanent fund must be invested for six months before an advisor may recommend a grant.
- **Nonpermanent Funds** (or short-term funds) are wholly expendable. These funds are typically invested in our short-term pool due to their more temporary nature. Unlike permanent funds, spending from these funds is not restricted to a certain percentage of the fund. A nonpermanent fund can be made into a permanent fund at any time.



*Ballet Folklorico Mexico en la Piel, Hillsboro*

## **Fees**

- **Investment Management:** OCF allocates investment management fees proportionally to the individual funds in its investment pool. These costs include professional management and independent investment consulting fees, and legal fees associated with the investment program. OCF's investment returns are stated net of investment management costs. For further information on OCF's investment policy, investment committee and most recent returns, visit [oregoncf.org](http://oregoncf.org).
- **Administrative:** Through careful management and use of volunteers, OCF keeps expenses low while providing high-quality services. An administrative fee is assessed against each fund to cover OCF's operating expenses. This fee is deducted in quarterly installments from the fund's principal balance and is reflected on your spring and fall fund financial statement.
- **Other Direct Expenses:** In special circumstances, the fund may incur fees such as legal expenses, real estate transactions and credit card charges.

# FREQUENTLY Asked QUESTIONS



Bandon Community Health Center

## ***What is a community foundation?***

A community foundation is a grantmaking charitable organization dedicated to improving the lives of people in a certain geographic area. Each community foundation administers funds established by individuals, families and businesses who wish to support effective nonprofits and solve community problems.

Through a community foundation, you can establish a charitable fund without incurring the costs of starting and administering a private foundation. Because a community foundation is a public charity, you may receive significant tax benefits for your gift.

## ***How much do I have available to grant?***

Your grantmaking budget is determined by the type of fund you have established (permanent or nonpermanent) and is calculated annually. You may access your current grantmaking budget by calling your donor relations officer or visiting MyOCF.

## ***Is there a minimum grant amount?***

Grant recommendations of \$1,000 or more are strongly preferred. The minimum grant amount is \$500.

## ***How often should I recommend grants?***

You may recommend grants throughout the year. OCF provides both weekly and monthly approvals to facilitate your grantmaking.

## ***May I recommend a multiyear grant?***

Yes. At the time of your recommendation, please indicate how many increments, in what amounts and over what time frame you wish the grant to be dispersed. We will administer the grant and payment schedule according to your instructions.

## ***I would like to invite friends and family to contribute to my fund.***

### ***May I do this?***

Yes. However, according to the Uniform Prudent Management of Institutional Funds Act (UPMIFA), a law governing charitable institutions, if people add money to your fund and you want to make a change to your fund (e.g. change successor advisors), you are required to secure each additional donor's consent, in writing, for that change. If any donor to the fund is deceased or cannot be located, then changes cannot be made to the fund.

## ***What types of organizations may I support?***

You may make grants to support 501(c)(3) nonprofit organizations, schools, religious institutions, government entities and federally recognized tribes.

### **DID YOU KNOW?**

There are 750 community foundations throughout the United States, and OCF is one of the top ten in assets!



***May I make a grant recommendation to pay for a membership or pledge?***

No. In accordance with IRS regulations, grants awarded from OCF funds may not be used to fulfill personal pledges or to pay for memberships, dues or anything that provides a direct benefit to a donor or fund advisor. This includes using donor advised funds to secure the opportunity to purchase tickets for sports or arts events.

***May I recommend grants to organizations outside of Oregon?***

Yes. If you wish to recommend an international grant, the organization must have nonprofit status in the U.S. Over the lifetime of the fund, OCF requires that at least 50 percent of your grantmaking remain within Oregon.

***Can I remain anonymous to a grant recipient?***

Yes. Let us know when you submit your grant recommendations.

***How can I get my family involved?***

Contact your donor relations officer for more information on family giving.

***May I serve on the board of an organization and recommend a grant to them from my fund?***

Yes, as long as you receive no personal benefit and do not have undue influence in how the grant is spent.

***May I recommend a grant to an organization to support its public advocacy activities?***

Yes. According to IRS regulations, it is legally permissible for OCF to make general support grants to nonprofit organizations that perform advocacy work, which may include lobbying. However, OCF is prohibited from making grants to organizations to support a particular candidate or ballot measure.

***Does OCF offer programs to assist nonprofits?***

Yes. OCF staff provides general assistance to organizations through one-on-one meetings and workshops. We also administer endowments for nonprofits. Please connect with your donor relations officer about specific ways to support nonprofits.

***What happens to the fund when I'm no longer living?***

There are several options for you to consider for the future of your fund, including leaving your fund for a relative or friend to advise upon, changing your fund to have a specific beneficiary, or supporting charitable causes throughout the state of Oregon. Your donor relations officer can assist in clarifying these options.



OCF Eastern Oregon scholarship recipient



# THE MISSION OF THE OREGON COMMUNITY FOUNDATION IS TO IMPROVE LIVES FOR ALL OREGONIANS THROUGH THE POWER OF PHILANTHROPY.

Since 1973, The Oregon Community Foundation has connected private giving to public good in every corner of the state.

Founded with an initial investment of \$63,000,

OCF's assets under management are more than \$1.8 billion.

Each year, OCF's annual distributions are more than \$100 million in grants and scholarships.





THE OREGON  
COMMUNITY  
FOUNDATION

*Here for Oregon. Here for Good.*



Mt. Hood

[www.oregoncf.org](http://www.oregoncf.org)