



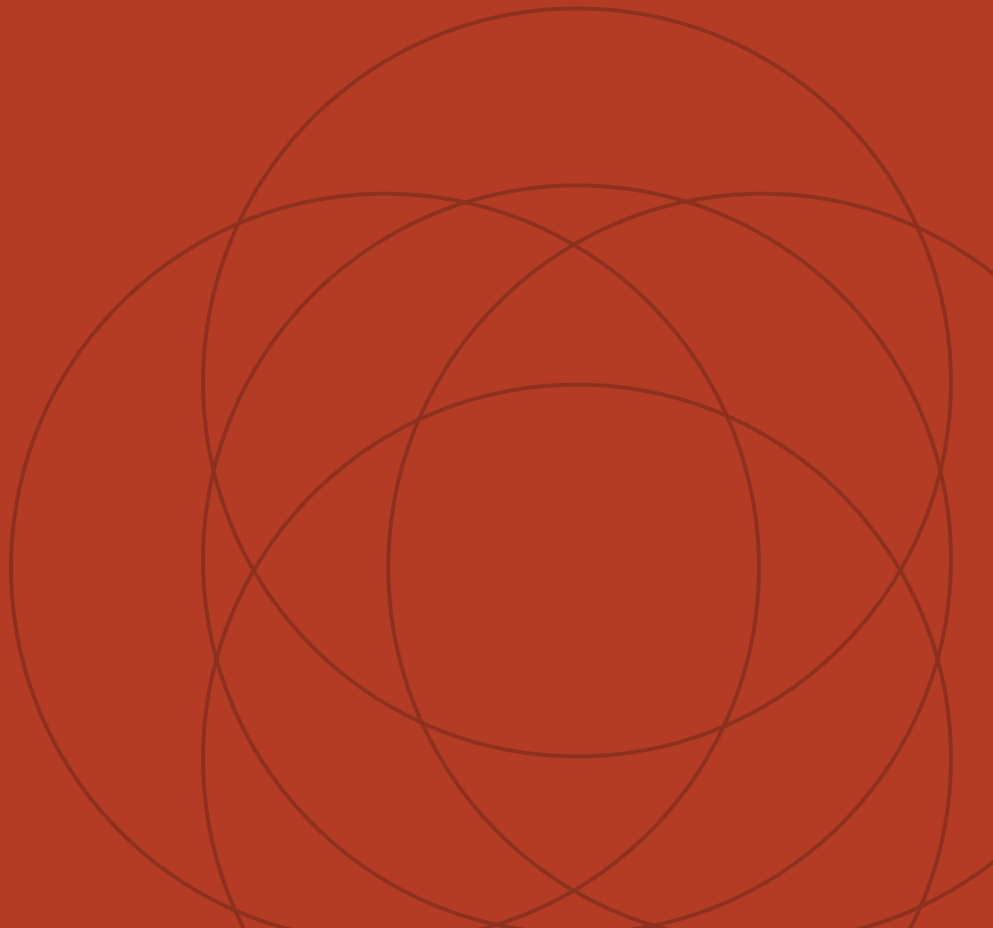
COMMUNITY
FOUNDATION
of Northern Nevada

Donor Advised Fund Handbook

Powerful things happen when we work together.

The Community Foundation of Northern Nevada Mission

To strengthen our community through philanthropy and leadership by connecting people who care with causes that matter.





**COMMUNITY
FOUNDATION**
of Northern Nevada

Thank you for choosing Community Foundation of Northern Nevada as your philanthropic partner.

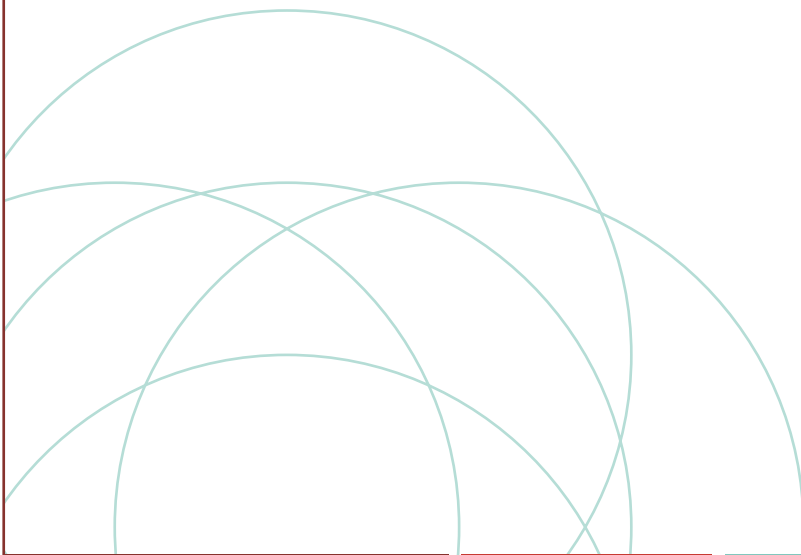
This handbook provides information you'll find useful as you practice your personal philanthropy with your Donor Advised Fund.

Please contact us at 775-333-5499 with any questions or to learn about additional services from the Community Foundation.

We are here to help.

Community Foundation of Northern Nevada

50 Washington Street, Suite 300 | Reno, NV 89503
Phone: 775.333.5499 | Fax: 775.333.5487 | nevadafund.org





Excellence. Accountability. Impact.™

SETTING A HIGH STANDARD

The National Standards for U.S. Community Foundations® accreditation program represents a community foundation's commitment to go above and beyond federal and state law requirements to demonstrate accountability and excellence to communities, policymakers, and the public.

When it comes to doing good in our community, you can trust us. The Community Foundation of Northern Nevada meets the highest standards for giving.

The National Standards accreditation program was created by community foundations for community foundations. They are peer-driven, voluntary, and self-regulatory.

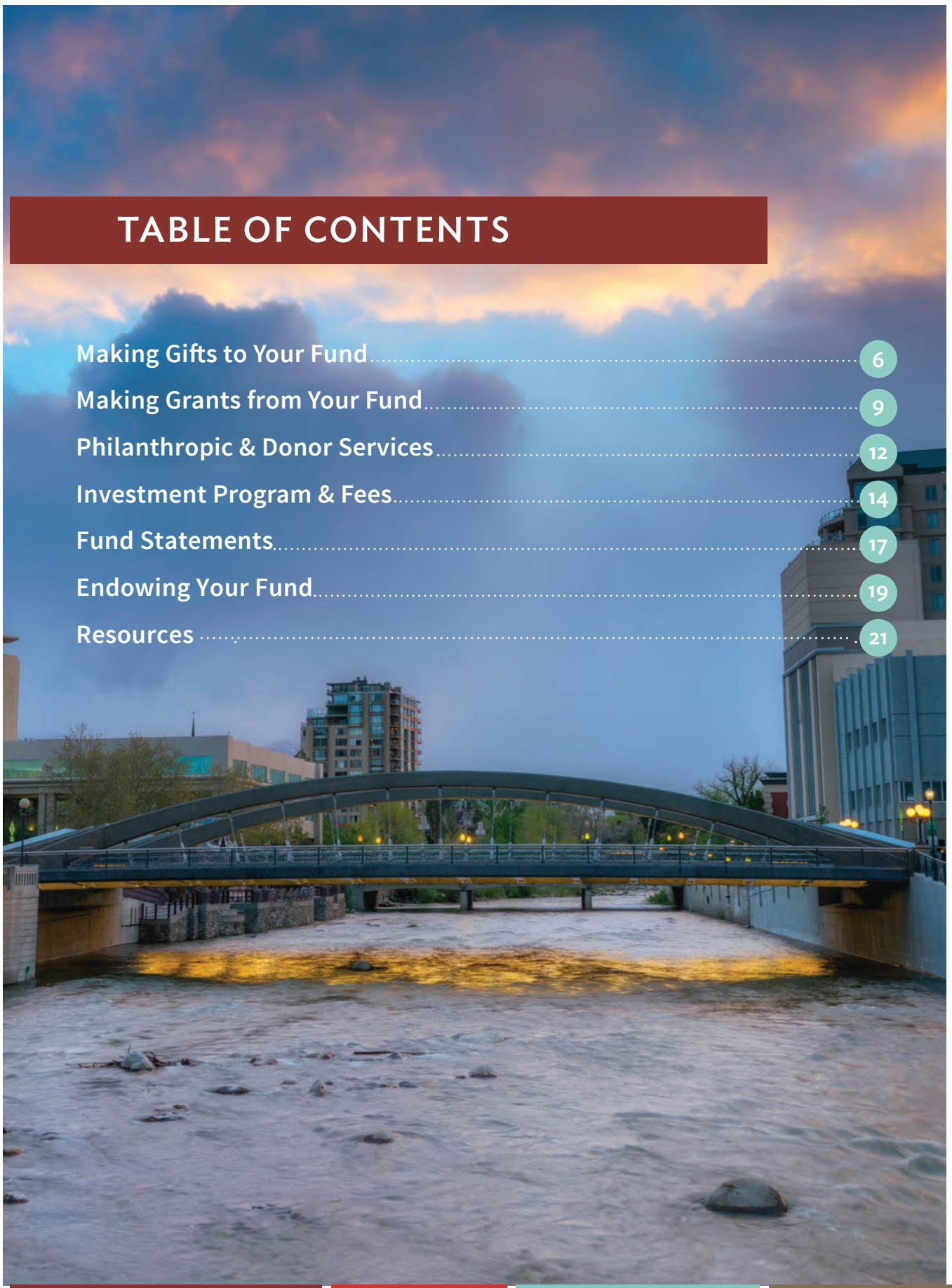
National Standards accreditation represents operational effectiveness to foster excellence in community philanthropy and establishes legal, ethical, effective practices for community foundations everywhere.

We will honor your wishes as we work together to meet the changing needs of our community. When you see the National Standards Seal, it means your generous donations are being managed according to our responsible grantmaking and financial policies.

**All community foundations receiving accreditation must meet 26 National Standards. If you are interested in learning what these Standards are comprised of, please ask your Philanthropic Advisor for more information.*

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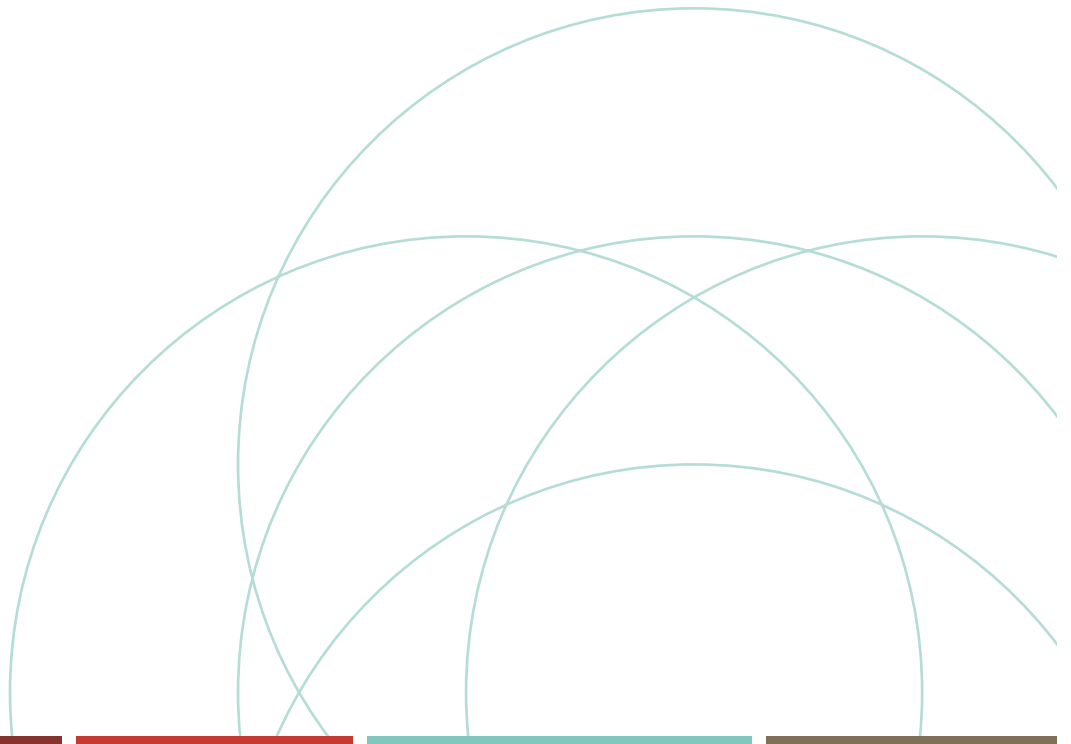
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MAKING GIFTS TO YOUR FUND

You made your initial gift and established your fund, but did you know you can make additional gifts to your fund at any time? Gifts may be added several different ways and your Community Foundation staff is available to assist you.





Gifts of Cash

- Make checks payable to Community Foundation of Northern Nevada with the name of your fund in the memo line.
- Give online at nevadafund.org and click on "Donate Now." You can even set up recurring contributions.

Gifts of Stock (Avoid Capital Gains Tax)

- Contact the Community Foundation for wiring instructions.
- All stock gifts are liquidated upon receipt; all additions to your fund are net any transactional fees.

Gifts of Real Estate, Closely Held Stock, and Appreciated Assets (Avoid Capital Gains Tax)

- Contact the Community Foundation to discuss the transfer.



Gifts That Leave a Legacy

- Naming your donor advised fund as a beneficiary on your IRAs, life insurance policies, charitable gift annuities, and charitable remainder trusts can be an effective estate planning tool to take care of your favorite charities.
- Gifts to Community Engagement support the initiatives undertaken by the Community Foundation. Current Initiatives include the Caregiver Support Initiative, Preventing Financial Scam Initiative, and our work in providing more affordable housing through the Community Housing Land Trust. Our community work brings concerned residents, nonprofits, and public service providers together to work on solutions. The goal of Community Foundation initiatives is to encourage resident engagement and increase the quality of community life.
- Gifts to the Northern Nevada Endowment Fund are especially appreciated because they will become an unending charitable resource for the region. Your gift will make it possible to help in times of crisis. It will address the deep problems that take time and money to change. We cannot know what challenges the future will hold. We do know that your gift to the Northern Nevada Endowment Fund will always be relevant, important to our region and, most of all, available when needed.



MAKING GRANTS FROM YOUR FUND

Define Your Fund's Grantmaking Purpose

The Community Foundation helps each of its fund advisors develop a grantmaking program that works for them. Whether you're interested in supporting a particular area of interest (i.e. education, the arts, social services, faith, leadership initiatives, wellness, etc.) or specific charities, our staff is available to work with you to identify nonprofit organizations that meet your charitable goals.

Recommend a Grant From Your Fund

You may recommend grants to any nonprofit public charity that is recognized as a 501(c)(3) tax-exempt organization and any school, religious institution or government program.

Please contact your Philanthropic Advisor by phone or email to submit your grant recommendation or submit your recommendation through our online Fund Advisor Portal.

Grant Requests Process

Once we receive your grant recommendation, we review each organization carefully to ensure they meet IRS regulations and are a qualified nonprofit corporation. If the organization meets the requirements Community Foundation staff will process the grant and mail checks and appropriate correspondence to the grantee organization. All grant checks feature your fund name on the check and are accompanied by an instructional letter so the charity understands the grant is from your fund (unless you wish to remain anonymous).

Multi-Year Grants

You may make multi-year grants for capital campaigns, operating support or other special projects. To make multi-year grants through your fund simply notify your Philanthropic Advisor when recommending your grant. The Community Foundation will create a multi-year grant agreement with the nonprofit and will automatically make grants out of your fund according to the agreement specifications.

Grant Restrictions

While making grants through an advised fund is a flexible process, there are a few things an advised fund cannot support. In accordance with IRS regulations, grants may not be used for the following purposes:

- Fulfill your personal irrevocable or legally binding pledge or other financial obligation made to a nonprofit, religious or educational institution.
- Support a political campaign.
- Purchase raffle tickets.
- Pay for a membership, benefit, table sponsorship or any other activity that provides a tangible benefit to you.
- Pay for personal expenses incurred by a related party, including tuition.
- Provide any other substantial tangible benefit to any individual.



Activating Grantmaking

While funds held at the Community Foundation of Northern Nevada (Community Foundation) are not required to pay out grants annually, the Community Foundation strongly encourages donors to maintain an active advisory relationship and to make grant recommendations at least annually. Fund advisors who would like to delay recommendations for grant making in order to recommend a significant grant at a later date should notify the Community Foundation via letter or email. Absent such communication from the advisor(s), the following policy, approved by the Board of Trustees, will be applied to funds that have become inactive.

- Should grant activity stop for more than a 1-year period, steps will be taken by the staff or the board to activate that fund.
- Should grant activity stop for more than a 2-year period, the Foundation considers the fund to be inactive and steps will be taken by the staff or the board to activate that fund.





PHILANTHROPIC AND DONOR SERVICES

The Community Foundation provides a number of opportunities for fund advisors and their families to expand and pursue their philanthropic goals through personalized services, educational programming and other event opportunities. Please contact your Philanthropic Advisor for individualized service and expertise.

Services Include:

- Site Visits
- Comparative Research
- Giving Opportunities Targeted To Your Interests
- Fund Holder Gatherings On Topics of Interests
- Annual Meeting



Behind the Scenes – Connecting to Nonprofits

Your Community Foundation is always in close communication with area nonprofits due to our role as a funder. We are committed to providing donors with opportunities to be among the first to support the best charitable investments in our community.

The Community Foundation can assist with arranging site visits with nonprofits of your choosing to meet the organization's leadership and view their mission in action.

CANDID (Formerly GuideStar)– National Database of Charities

Our staff is diligent in researching nonprofit organizations. If you are interested in conducting your own research as well, CANDID provides lists of board members, special programs, 990s and other financial information on hundreds of charities.

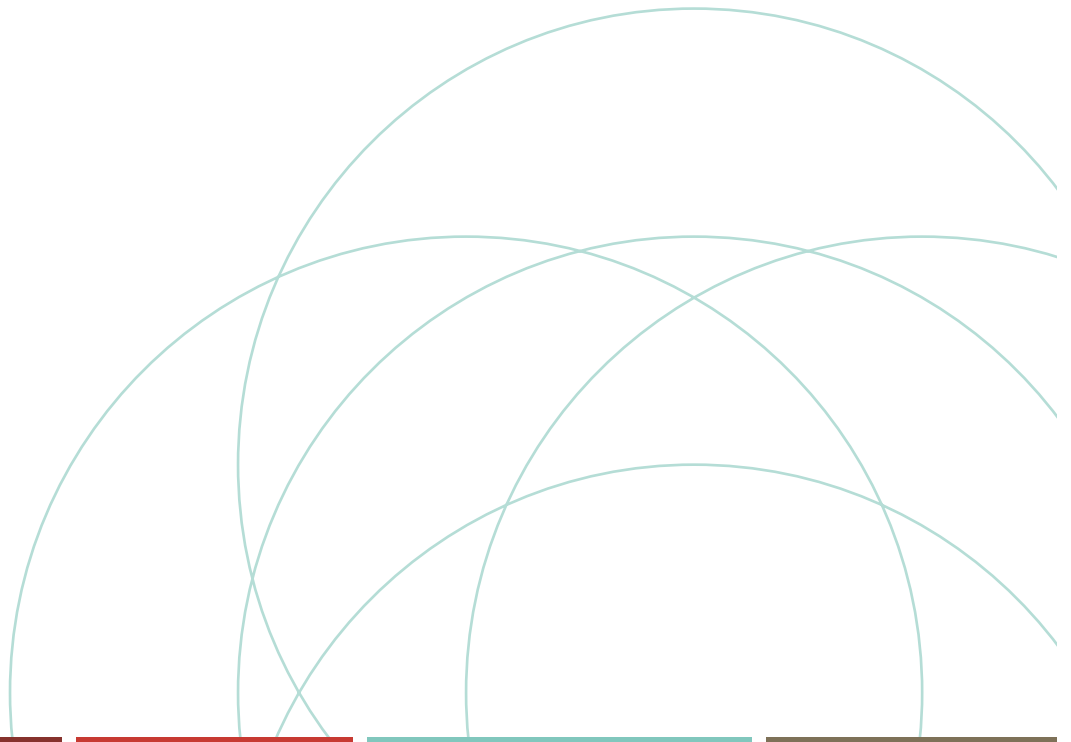
Connecting to Projects of Interest to You

Our staff shares information with donors about projects of particular interest to any donor(s) open to receiving notices of funding opportunities.



INVESTMENT PROGRAM AND FEES

The goal of the investment program is to maintain a well-diversified portfolio that provides competitive returns allowing the Community Foundation to respond to today's needs and provide long-term growth for future needs. The investment strategies for permanent and nonpermanent funds are distinct because the Community Foundation and its donors seek to achieve different distribution goals with each type of fund.



Investment Options

The Community Foundation’s investment policy provides for Pooled Investment Accounts to meet objectives for charitable funds that will be distributed in Short, Intermediate, and Long-term time frames. Short-term assets are deemed to be those that will be distributed in a 1-3 year time frame, Intermediate-term assets are deemed to be those that will be distributed in a 3-5 year time frame, and Long-term assets are deemed to be those to be distributed in a time frame of 5 years or longer.

Asset Strategies

How soon do you want to use this money?	Strategy	More Information	Risk
1 year or less	Cash Only	Wells Fargo	None
1 year or less	Money Market	Wells Fargo	Low
1-3 years	Short Term Strategy	Schwab	Low
3-5 years	Intermediate	50% Short Term 50% Long Term	Moderate
5+ years	Long Term	Wells Fargo, Edward Jones, Schwab, Tiedemann	Most
Any	Use your own advisor (>\$500k)	100% with your advisor	Varies

Asset Allocation Strategy

The overall asset allocation strategy shall be to diversify investments to provide a balance that will enhance long-term total return while avoiding undue risk or concentration in any single asset class or Investment Category. The Investment Committee will meet periodically to determine a reasonable asset allocation in light of economic and market conditions.

The Investment Committee shall monitor the following Investment Portfolios:

- a. Long-Term** – the investment objective is to provide growth and income for the funds invested in this portfolio. This portfolio can employ funds of funds, private equity and alternative investments along with other asset classes. It is permitted to hold up to 15% in Illiquid Assets.
- b. Intermediate** – the investment objective is to expose funds to market return and risk while maintaining an income flow. The target asset allocation is 50% Equities and 40% Fixed Income, 10% Inflation Protection.
- c. Short-Term** – the investment objective is to shelter funds from most market risk. The objective of this portfolio is to maintain current principal and income for the invested funds. May hold such stable value investments as cash equivalents, investment grade corporate bonds, high yield, U.S. and sovereign government and Treasury securities and FDIC insured Certificate of Deposit investments. Average duration shall not exceed three years. Maturities may be laddered to provide liquidity.

(Continued next page)

Asset Allocation Strategy *(Continued from page 15)*

- d. **Money Market Account** – an interest-bearing account that earns interest monthly and is best suited for grants that will be issued in less than a year or donors who are risk adverse.
- e. **Cash and Cash Equivalent Portfolio** – designed to shelter funds from market risk and have daily liquidity.
- f. **Pooled Impact Investment Accounts** – the investment objective is to have a social purpose with defined goals for social impact at a rate which is comparable to short-term, fixed income returns.

Financial Advisors

The options on page 15 are based on using the Community Foundation’s Investment Pool to manage your funds. However, if you prefer to use your own financial advisor, connect the Community Foundation with your advisor, and our team will take care of the rest! Your advisor will continue to manage your charitable dollars and you will enjoy the tax benefits of having your fund at the Community Foundation. New investment relationships may be established with gifts of \$500,000 or more.

Cost to Administer Your Fund

An administrative fee is applied to every fund at the Community Foundation. Through economies of scale, we are able to charge minimal fees compared to the cost of establishing and maintaining your own private foundation or 501(c)(3) organization. The Community Foundation provides a number of donor services that make for a worthwhile charitable partnership.

The following annual rate schedule applies:

For the first \$1 million	1.50%
\$1 million to \$2.5 million	1.00%
\$2.5 million and over	.75%

The minimum annual fee is \$400. This equates to \$33 per month to administer your advised-fund. This fee is subject to change as additional services are requested. The fee is assessed on a monthly basis and will be reflected on your quarterly fund statement.



FUND STATEMENTS

The Community Foundation produces a quarterly statement for each fund documenting all activity.

This statement includes, any grants or gifts, investment income and administrative fees.

Quarterly Investment Performance

You will receive quarterly statements on your fund that reflect investment results, gifts made to the fund, administrative fees, and grants made from the fund.

The following are also available upon request:

- Current Investment Policy
- Investment Performance
- Current Roster of Investment Committee Members

Inactive Funds

Funds that neither receive nor disburse funds for a period of two years are considered inactive. Once a fund has been deemed inactive and attempts to contact the donor have failed, the Community Foundation will begin a process to end the advised status of the fund. Unless a termination use is specified in the fund agreement, the Community Foundation will work to distribute the balance of the fund as outlined within the Fund Activity Policy.

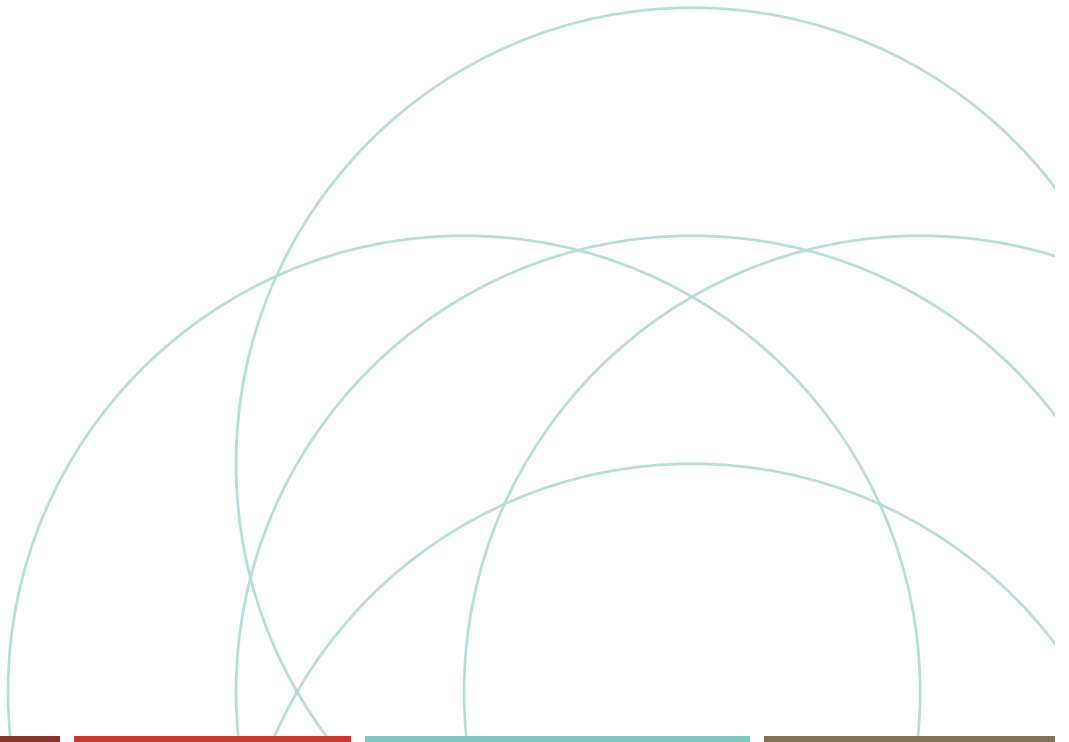
Closing Funds

If you should decide to close your fund at the Community Foundation, you need only suggest a final grant to a charity of your choice. Alternatively, you can always add your dollars to the Community Foundation's unrestricted grantmaking funds.



ENDOWING YOUR FUND

Any charitable fund at the Community Foundation can become an endowment. Endowments allow donors to provide permanent support (both during and beyond their lifetime) to charities of their choice or fields of interest (i.e. arts, education, ministry, health and welfare, social services, etc.). Some fund advisors like to endow their funds so successive generations of family members can be involved in administering their personal philanthropy. Endowments may be established with gifts of \$50,000 or more.



How Endowments Work



Endowments are Perpetual

Designed to keep giving year after year, these funds ensure you will forever make a difference in the charities you care about.

Endowments are Protected

Endowment funds are closely monitored and fund advisors determine the planned distribution in the fund agreement. Distributions may allow for a spend down plan over 10 or 25 years, up to 5% distributable, payable from principal and income, or a true endowment that only makes available the annual income earned on the fund.

Endowments are Personal

Make grants in the name of the individual or family for the charitable purposes they determined during their lifetime. Distributions can be allocated across any number of charities. During the fund advisor's lifetime, they need only send the Community Foundation a letter of instruction regarding wishes on which nonprofits or fields of interest to support after their passing.

Endow Your Fund with a Gift During Your Lifetime

You can endow your fund with a direct contribution of cash, stock or other appreciated security.

Endow Your Fund with an Estate Gift

You can also make a gift from your estate to endow your Fund at the Community Foundation. There are many possible plans.

- Include your personal fund at the Community Foundation as a bequest.
- Name your fund as beneficiary of your life insurance policy or retirement assets.
- Create a Charitable Remainder Unitrust or Charitable Gift Annuity that designates your fund as the remainder beneficiary.
- Use gifts of real estate.

RESOURCES

A Donor Bill of Rights
Fee Schedule and Fund policy
Fund Advisors Policy
Fundraising Policy for Component Funds
Gift Acceptance Policy
Grants to Individuals Policy
Inactive Funds Policy
Investment Policy

nevadafund.org

A DONOR BILL OF RIGHTS

DEVELOPED BY:



Association of Fundraising Professionals (AFP)



Association for Healthcare Philanthropy (AHP)



Council for Advancement and Support of Education (CASE)



Giving Institute: Leading Consultants to Non-Profits

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 assure that philanthropy merits the respect and trust of the general public, and that donors and prospective donors can have full confidence in the not-for-profit organizations and causes they are asked to support, we declare that all donors have these rights:

I

To be informed of the organization's mission, of the way the organization intends to use donated resources, and of its capacity to use donations effectively for their intended purposes.

II

To be informed of the identity of those serving on the organization's governing board, and to expect the board to exercise prudent judgment in its stewardship responsibilities.

III

To have access to the organization's most recent financial statements.

IV

To be assured their gifts will be used for the purposes for which they were given.

V

To receive appropriate acknowledgement and recognition.

VI

To be assured that information about their donations is handled with respect and with confidentiality to the extent provided by law.

VII

To expect that all relationships with individuals representing organizations of interest to the donor will be professional in nature.

VIII

To be informed whether those seeking donations are volunteers, employees of the organization or hired solicitors.

IX

To have the opportunity for their names to be deleted from mailing lists that an organization may intend to share.

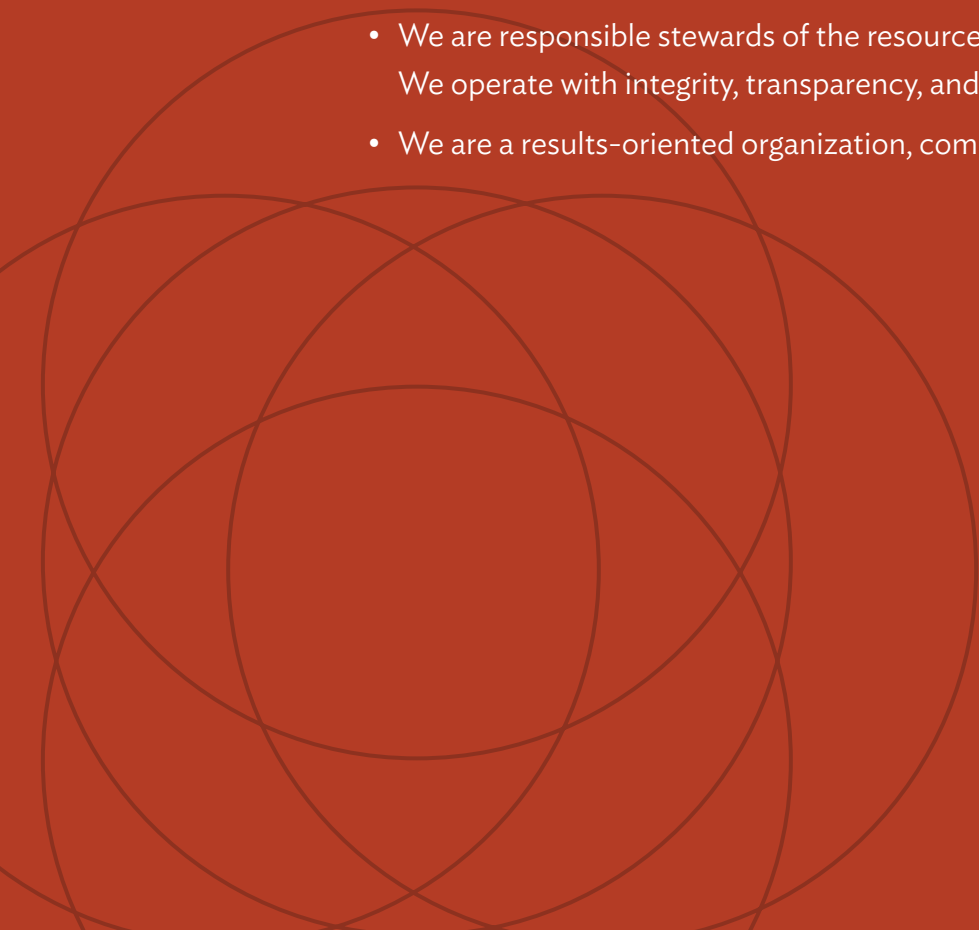
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To feel free to ask questions when making a donation and to receive prompt, truthful and forthright answers.

Six Core Values Guide Community Foundation Board and Staff

Our values guide our decision-making and our strategies ensure we are intentionally serving people with diverse ideas, cultures, and backgrounds in meaningful ways.

- We are committed to valuable service to our community.
- We foster innovation, collaboration, and imagination.
- We are an engaged community leader and ally. We seek to develop and influence philanthropic leaders.
- We value inclusiveness, diversity, and equity. Our organization is characterized by a generous and caring spirit.
- We are responsible stewards of the resources entrusted to us. We operate with integrity, transparency, and credibility.
- We are a results-oriented organization, committed to excellence.





**COMMUNITY
FOUNDATION**
of Northern Nevada

Connecting People Who Care
with Causes that Matter.

We're Here to Assist You

To discuss a gift and help you achieve your charitable goals, give us a call.
We'll be happy to discuss a plan that will benefit you, your family and your
favorite charities.



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