



401 Elmgrove Avenue | Providence, RI 02906 | jewishallianceri.org

Jewish Federation Foundation Donor Advised Fund Program

Establishing a Donor Advised Fund (DAF)

Establishing a DAF is easy. Simply fill out all the forms provided in this packet and mail them, along with your initial contribution or information on a transfer of securities, to:

Jewish Federation Foundation
401 Elmgrove Ave.
Providence, RI 02906

The minimum contribution to establish a DAF is \$2,500. You may make this contribution using cash or publicly traded securities. Gifts of real estate or other assets can be made, subject to review by the Jewish Federation Foundation. All contributions to your DAF are irrevocable donations to JFF and are therefore typically deductible from your federal income taxes in the year they are made.

Establishing a DAF with grants from a foundation may require some additional paperwork, especially if the grants are made in the context of terminating a foundation. For more information on establishing a DAF with assets from a foundation, please contact Trine Lustig at 401.421.4111 ext. 223.

DAF Minimums

Grants must be recommended in multiples of \$50, or chai (\$18), with a minimum grant of \$50. You do not have to recommend a minimum amount of grants each year.

Termination of DAF

You will be notified if the balance of your DAF falls below \$1,000. Your DAF will be closed if the account balance is not brought up to the \$1,000 minimum within one year of that notice. At that time, the remaining balance will be transferred to JFF's Unrestricted Endowment Fund, for the benefit of the Jewish community.

JFF will also close a DAF upon your written request, or upon the death or resignation of the last surviving signatory. JFF is also happy to work with donors to prepare documents in advance that recommend a final set of grants to a JFF endowment fund or to another charity upon the death or resignation of the last signatory.

Ownership of Assets in DAFs

Contributions to your DAF are irrevocable gifts to JFF. In accordance with the Internal Revenue Code, JFF owns the assets in each DAF outright and retains exclusive legal control over these assets for the charitable purposes of JFF. Donors may not restrict the absolute rights of JFF as owner of the assets. This is the basis for your eligibility for a federal income tax deduction.



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Donors, Signatories, and Successors

Donors

You are the Founding Donor if you are the person establishing the DAF. The Founding Donor may designate one other Founding Donor to the fund. These two people, such as husband and wife, will be deemed to be establishing the DAF together, as Joint Donors.

All Donors have the following privileges:

- Name the DAF
- Recommend grants from the DAF
- Recommend Signatories and Successors to the DAF

Unless otherwise instructed, JFF assumes that the Founding Donor of a DAF has all the powers of a Signatory (see below.)

Signatories

The Founding or Joint Donor may designate up to four Signatories for the DAF. If you are a Signatory, you have the privilege of recommending grants from the DAF. Your privileges as Signatory may be revoked by the Founding or Joint Donor at any time.

Successors

If the Founding or Joint Donor wishes the DAF to continue after his or her death, the Founding or Joint Donor may designate up to two Successors.

These Successors may already be Signatories on the DAF, but that need not be the case. A Successor takes on all the privileges of the Founding or Joint Donor upon the death of the Founding or Joint Donor.

Changes to the DAF

If you are the Founding or Joint Donor or a successor Signatory to the Donor, you may recommend that changes be made to any of the following:

- The name of the DAF
- Signatories and Successors to the DAF

You may recommend the change by sending us a signed letter of instruction, or an email from your authorized email address.

DAF Fees

JFF currently charges a 1% administrative fee.

If you choose to make a contribution of real estate or assets other than cash or publicly traded securities, JFF will charge an administration fee and will recover the expenses of accepting and liquidating these assets. Additional fees are determined on a case-by-case basis. Only the net proceeds of the transaction will be available to the DAF.

Quarterly Reports

You will receive a quarterly report of all activity in your DAF. This quarterly report will include information on contributions, grants, and net investment return (income, gains or losses, and fees).



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Recommending Grants from Your DAF

You may recommend grants from your DAF by mail, fax, or e-mail.

- If you wish to recommend grants by mail or fax, grant recommendation forms will be provided to you and are available at jewishallianceri.org.
- If you wish to recommend grants by e-mail, please fill out the form contained in this packet.

For your protection, JFF is unable to accept grant recommendations over the phone.

Organizations Eligible to Receive Grants

Donors and Signatories have the privilege of recommending grants from their DAF.

Grants may be recommended to organizations in the following categories:

- A public charity described in section 509(a)(1) or (2) of the Internal Revenue Code.
- A public charity described in section 509(a)(3) of the Internal Revenue Code that is not a disqualified Supporting Organization as defined in section 4966(d)(4) of the Internal Revenue Code.
- A governmental unit described in section 170(c)(1) of the Internal Revenue Code, exclusively for public purposes that are consistent with JFF's charitable purposes.

There is no requirement for you to recommend grants to the Jewish Alliance of Greater Rhode Island, the Jewish Federation Foundation, or other Jewish agencies. JFF reserves the right to reject grant recommendations for purposes contrary to its mission or to organizations that fail to maintain proper standards of financial oversight or accountability. JFF may request the return of grants that are discovered to be in conflict with its mission, or in violation of the guidelines in this section.

Processing Grants

Grants are processed on a weekly basis. Due to the large volume of grant recommendations made at year-end, processing may take longer during the months of November and December.

Limitations on Grants

Grants may not be recommended for the following purposes:

- To pay for or to discharge a legally binding personal obligation (such as a legally binding pledge).
- To make a contribution for which you receive any good or service from the recipient organization, such as discounted tickets, meals at a benefit dinner, admission to a museum or membership benefits. Note: You may recommend grants for the purpose of synagogue membership, including High Holiday seats, because the resulting intangible religious benefits are not considered a good or service.
- To personally benefit yourself or anyone related to you.

Notification to Recipient Organizations

Each grant mailed to the recipient organization will be accompanied by a cover letter identifying the Fund and the name of the Donor or Signatory who recommended the grant. You may also request to be anonymous on a particular grant. If you wish to remain anonymous on all grants distributed, please indicate that preference when you fill out the forms establishing the fund.