

COMMUNITY FOUNDATION OF NEW JERSEY

Donor Advised Fund Fact Sheet

The Community Foundation of New Jersey is a nonprofit 501 c(3) public charity that offers donor advised funds. Families, individuals and businesses who make gifts to create a donor advised fund receive the maximum tax deduction for their contributions.

CFNJ DONOR ADVISED FUNDS

Donor Advised Fund

A donor enters into a simple letter of agreement with the Community Foundation. You can request the letter of agreement by email at info@cfnj.org or by calling 973-267-5533. Our staff will assist you with the process. If you have additional questions please call Hans Dekker @ ext 222.

1. To open a fund, a donor makes an irrevocable contribution to the Community Foundation, a public charity, and takes a tax deduction in the year they make the contribution.
2. The donor chooses a name for their Fund.
3. The donor can then recommend to the Community Foundation a preferred investment option for their Fund.
4. The donor can begin recommending grants to charities at anytime. The number of grants issued per year is not limited.

Minimums

\$25,000 — an initial irrevocable charitable contribution to your Donor Advised Fund; no minimum for subsequent contributions.

\$100 — for grant recommendations

Deduction limits

Donors may be eligible for the maximum tax deduction for their charitable contribution:

- Cash equivalents: up to 50%* of Adjusted Gross Income (AGI)
- Long-term appreciated securities: up to 30%* of AGI, generally deductible at Fair Market Value (FMV)
- Other long-term appreciated assets: up to 30%* of AGI, generally deductible at Fair Market Value (FMV)

*Deductibility limits are dependent on the type of asset contributed.

Assets accepted

Cash equivalents (by check or wire) and securities (including restricted stock).

Certain special assets (including real estate and illiquid assets) are accepted on a case-by-case basis.

Please consult your tax advisor or call us.

Investment options

Donors may choose among different asset allocation pools.

Learn more about investment options at www.cfnj.org/establish/families/investments.php

Supporting your charities

Donors can:

- Donate assets that make the most sense from a tax perspective and then support multiple charities from a single contribution to the fund.
- Recommend grants to any IRS-qualified public charity.
- Recommend grants online, by fax or by mail.
- Customize a grant recommendation for a purpose (for example, "In memory of").
- Set up recurring grant recommendations (monthly, quarterly, semi-annually, annually).

The Community Foundation prepares customized correspondence for grants from your fund and issues the grants to the recommended charity.

Recognition or anonymity

The Community Foundation asks that donors be acknowledged for recommending a grant to a charity or we can make grants anonymously upon a donor's request.

Involving family

Donors can name successor advisors for their Fund, ask that the Community Foundation to steward their charitable legacy into the future, or recommend that the remaining assets go to specified charities.

Administration, fees, & expenses

The administrative fee has a maximum level of 1.0% annually (subject to a minimum fee of \$200.00, whichever is greater). As the fund size grows the administrative fee is reduced.

Investment expenses range depending on the investment pool chosen.

www.cfnj.org