



STONEWALL COMMUNITY FOUNDATION

Donor-Advised Fund Program

Contributions to the Stonewall Donor-Advised Fund Program are irrevocable gifts made to Stonewall Community Foundation, a public charity. Individuals considering a contribution to the program should consult their legal and tax advisors regarding deductions based on their personal considerations.

Introduction

Thank you for your interest in the Stonewall Community Foundation Donor-Advised Fund Program. As a community foundation serving the lesbian, gay, bisexual and transgender (LGBT) communities, Stonewall has established this program to support the philanthropic goals of individual donors and increase the financial resources available to nonprofit organizations.

This document describes the Stonewall Donor-Advised Fund Program and the benefits of opening a fund. Please consult your financial and tax advisor(s) to ensure the best use of this program for your particular tax situation.

Contributions to the Stonewall Donor-Advised Fund Program are irrevocable and are immediately tax-deductible to the fullest extent of the law. Contributions can be made at times that are most beneficial to you, while grant recommendations can be made on a separate timetable.

Assets donated to the Advised Fund are invested and professionally managed, offering the potential for your contributions to grow and yield greater support for charitable organizations and issues that you care about.

The Stonewall Donor-Advised Fund Program is subject to the terms and conditions of Stonewall Community Foundation's articles of incorporation, bylaws, investment and gift acceptance policies, and this document. Stonewall Community Foundation's Board of Directors reserves the right to modify the Stonewall Donor-Advised Fund Program at any time.

Benefits of the Stonewall Donor-Advised Fund Program

Donors to the Stonewall Donor-Advised Fund Program enjoy the following benefits:

Flexible Charitable Giving Vehicle: You make irrevocable charitable contributions of cash or appreciated securities to the Stonewall Donor-Advised Fund Program now and recommend grants to charity later.

Immediate Tax Benefits: You receive an immediate dollar-for-dollar charitable federal income tax deduction for the full fair market value, up to the maximum allowed by law, for contributions to an Advised Fund at Stonewall Community Foundation. Contributions are not subject to capital gains tax on the appreciated value of securities contributed.

Grant Recommendations: While the tax deductions are taken immediately, you may recommend grants to your favorite charitable organizations throughout the life of your fund. This can be done easily through an online, password-protected, page of Stonewall's website or by completing and mailing a simple form.

Specialized Grantmaking Advice: Stonewall Community Foundation staff can provide useful expertise and up-to-date information about LGBT and other social justice organizations in the New York area, nationally, and internationally. Stonewall can provide research and docket preparation for you upon request, and assist in creating an individual strategic giving plan aligned with your values and interests.

LGBT Giving Community: By opening a fund at Stonewall Community Foundation, you automatically become part of a community of donors who are committed to supporting the LGBT community and other causes. Stonewall provides opportunities for donors to share experiences, leverage funding and to learn about work being done in areas of shared interest.

Simplicity: A single contribution to the Stonewall Donor-Advised Fund Program can benefit multiple nonprofits while requiring only one tax substantiation letter and no check-writing on your part.

Establishing a Fund

Opening a Fund

A fund can be opened by individuals or groups by completing a *Stonewall Donor-Advised Fund Program Donor Agreement*. The Donor Agreement can be downloaded from www.stonewallfoundation.org. Please return the signed agreement to Stonewall Community Foundation, 119 West 24th Street, New York, NY 10011.

Initial Contribution: A fund can be opened with a minimum initial contribution of \$10,000.

Irrevocable Gift: Contributions to the Stonewall Donor-Advised Fund Program are irrevocable and not refundable.

Types of Gifts: You may contribute cash, stocks, bonds, mutual funds, real estate and certain other assets. Donors should contact Stonewall directly about gifts of real estate.

Naming the Fund: You will be asked to name your fund for use in correspondence and for publication. Most donors use their own name(s) for the fund (e.g. The Janice Smith and Carol Jones Fund of Stonewall Community Foundation). Some donors choose names that are meaningful to them and reflect their values or the intended purpose of the fund.

Deferred Gifts: Donors may opt to create a fund or add to an existing fund through a deferred gift, such as a charitable remainder trust, will or a living trust, or as the beneficiary of life insurance or retirement plans.

Contributing to Your Fund

Cash: Cash donations can be wired or mailed.

Publicly Traded Stock: Stocks can be transferred to Stonewall through DTC using the instructions provided at www.stonewallfoundation.org.

Other Gifts: If the gift involves mutual funds, bonds, restricted stock, other non-publicly traded securities, real estate or other types of assets, you should contact Stonewall Community Foundation for assistance in making your gift.

Stonewall Community Foundation will review and approve all gifts in accordance with the Foundation's *Gift Acceptance Policy*. If for any reason a gift is not accepted, it will be returned to the donor. Donors will receive confirmation of each gift when it has been accepted, specifying the donation value of each gift.

Tax Deductions

Charitable Deductions

You can deduct your contribution to the Stonewall Donor-Advised Fund Program on your federal income tax return in the year the gift is made. For appreciated securities, the date of the charitable contribution is the date it is received by Stonewall Community Foundation. You should always consult your legal or tax advisor regarding your income taxes.

Cash: Your income tax deduction is the amount of your cash contribution.

Stock and Bonds: For publicly traded securities that are held for more than one year, the deduction is equal to the mean value that the security traded at on the day it is received by the Foundation.

Short-term Securities: For securities held for one year or less, the deduction is the lesser of your cost basis or fair market value.

Estate Taxes: All contributions to a Stonewall Donor-Advised Fund leave your estate and, therefore, are not subject to estate tax or probate.

Capital Gains: No capital gains taxes are applicable.

Deduction Limitations

Cash: A donor may generally deduct up to 50% of their adjusted gross income ("AGI") in the tax year in which the donation is made.

Appreciated Securities and Real Estate: A donor may generally deduct up to 30% of AGI for gifts of appreciated securities held more than one year.

Carry Forward Deductions: Any excess tax deduction may be carried forward and deducted for five additional years after the original contribution. A donor's itemized tax deductions may be subject to certain other limitations and a tax advisor should be consulted.

Investment Options

Stonewall Community Foundation offers a variety of investment portfolios to meet the varied needs and interests of our donors.

Stonewall Capital Preservation Portfolio

[10% Stocks/85% Bonds/5% Cash]

70% Bond Fund
10% Government Income Fund
15% Global Allocation
5% Money Fund

Stonewall Growth Portfolio

[60% Stocks/35% Bonds/5% Cash]

25% Bond Fund
20% Large Cap Core
20% Global Allocation
10% Fundamental Growth
15% Equity Dividend
5% Global Small Cap
5% Money Fund

Stonewall Income Portfolio

[30% Stocks/65% Bonds/5% Cash]

50% Bond Fund
10% Government Income Fund
20% Global Allocation
15% Equity Dividend
5% Money Fund

Stonewall Income and Growth Portfolio

[45% Stocks/50% Bonds/5% Cash]

45% Bond Fund
15% Global Allocation
10% Large Cap Core
25% Equity Dividend
5% Money Fund

Grantmaking

Donors and designated advisors may recommend grants to qualified charitable organizations. Requests for grants can be made online at www.stonewallfoundation.org or by faxing or e-mailing the grant recommendation form (available on the website) to the Foundation office. Upon receipt of your recommendation, Stonewall will verify that the charitable organization is eligible to receive the grant (see Accepted Non-profits below).

Grant Distribution

Grants are made by check, bearing the name of Stonewall Community Foundation. A transmittal letter will accompany each check listing the name of the fund and your name and preferred mailing address (unless anonymity is requested) along with any special instructions on how the grant should be applied.

Accepted Nonprofits (Grant Recipients)

Grants can be made to qualified nonprofit organizations recognized by the IRS as eligible to receive tax-deductible contributions.

Public Nonprofit Organizations

Grants can be made to charitable organizations that are tax-exempt under IRS Code Section 501(c) (3) and are public nonprofit organizations under IRS Code Section 509(a).

Religious and Educational Organizations: Most established religious organizations and educational institutions are not 501(c) (3) organizations but are still tax-exempt.

Restrictions

Stonewall will not approve grants to individuals, private non-operating foundations, political candidates or parties. In accordance with the laws governing donor-advised funds, Stonewall will not approve grants to satisfy pre-existing pledges or grants that create a specific benefit for the donor (e.g. dues, membership fees, goods purchased at a charitable auction).

Reporting and Receipts

Donors will be provided by mail with quarterly reports and annual statements. Donors who register for online accounts on www.stonewallfoundation.org can access monthly statements showing fund activity and fund balance.

Stonewall Community Foundation will provide donors with gift confirmation for each contribution

Other Information

Conflict of Terms

In the event of an inconsistency between the terms used in this document and the Stonewall Community Foundation articles of incorporation, the articles of incorporations and bylaws will govern the rights and obligations of the donors and of Stonewall Community Foundation.

Fees and Expenses

Each fund is subject to an investment management fee

Balance at year-end	Annual Fee
Up to \$1,000,000	175 basis points
\$1,000,000 - \$2,500,000	75 basis points
\$2,500,001 - \$5,000,000	55 basis points
More than \$5 million	35 basis points

This is an “all in” fee. There are no additional operating or management fees and the program does not pay any load or sales charges on the purchase of mutual funds.

	Administrative fee on first \$500,000	Brokerage Commission on Donated Shares	Investment Expenses	Total
Fidelity	60 basis points	1.2cents per share	.55 - 1.14%	115 to 174 basis points
Schwab	60 basis points		.44 - 1.25%	104 to 185 basis points
Stonewall				175 basis points

Please remember that Stonewall Community Foundation offers this Advised Fund program as a service to donors and relies on community fundraising to cover the full costs of running this program.



A Stonewall Community Foundation Donor-advised Fund — Your Own “Personal Foundation”

A Stonewall Community Foundation Donor-advised Fund (DAF) can simplify your charitable contributions to the causes important to you or your company, and Stonewall Community Foundation handles all of the record-keeping! With a DAF you will never be scrambling at year-end for a place to make a tax-deductible donation or hunting through files at tax time for charitable donation receipts.

A DAF gives you the flexibility to receive a tax benefit when it is advantageous for **you** and distribute the funds at any time over the lifetime of the fund. Stonewall Community Foundation handles all of the fund administration.

You may recommend charitable distributions (grants) from your fund to any 501(c)(3) organization. All grant recommendations are subject to approval by the Stonewall Community Foundation's Board of Directors.

Establishing and Using a Donor-advised Fund

You can establish a fund with a minimum initial contribution of \$10,000.

You receive an immediate tax deduction for contributions to the fund, regardless of when they are made.

Once your DAF is created, you may submit recommendations for grants to any qualified not-for-profit organization using an on-line system called “Donor Central”. Donor Central provides you with access to your DAF balance and grant history 24/7/365, simplifying your record-keeping and providing you with all the necessary tax acknowledgements.

Your DAF is a great way to bring LGBT visibility to your charitable giving. There is no limit to the number of grants you may recommend as long as there are sufficient funds within your DAF.

Presently, there is no fee to set-up or maintain a DAF at Stonewall. To open your DAF, simply print and complete the attached forms and then return them to us at:

Stonewall Community Foundation
Donor-advised Funds
119 West 24th Street, 7th Floor
New York, NY 10011



Donor-advised Fund Registration

I wish to create a Donor-advised Fund (including an on-line "Donor Central" account) at Stonewall Community Foundation. Please use the following information:

1. Donor-advised Fund (DAF) Name (Most people use their full name e.g. *The Jane Smith Fund* but you are free to use any name you wish.)

2. Your Primary Address (To be used for all future correspondence related to your DAF including a copy of your fully executed Donor-advised Fund agreement.)

Address line 1. _____

Address line 2. _____

City, State, ZIP _____

3. E-mail Address (To be used to send your Donor Central User I.D. and "one-time only" Password. During the first time you log on to Donor Central, you will create your own password that only you will know. Stonewall can reset your password creation facility should you ever forget it.) You will be notified via e-mail when your on-line account has been created.

4. Please complete the following:

Name (printed)

Signature

Date

Thank you for becoming a Stonewall Community Foundation Donor-advised Fund partner!

DONOR-ADVISED FUND AGREEMENT

(Your name goes in here)
(Your address goes in here)

(Date goes in here)

Stonewall Community Foundation
119 West 24th Street
New York, NY 10011

Dear Stonewall:

I am pleased to inform you that I have decided to establish an advised fund within the Stonewall Community Foundation ("Stonewall"). The establishment of the advised fund is subject to Stonewall's acceptance of the following terms and conditions:

1. The name of the advised fund shall be "*Name of the Fund goes in here*" Donor-advised Fund of Stonewall Community Foundation" (the "Fund"). Any future gifts, grants or contributions to Stonewall for the Fund shall be subject to the provisions of this letter.
2. Stonewall shall have all powers necessary or, in its sole discretion, desirable, to administer and apply the Fund in furtherance of the exempt purposes of Stonewall, including, but not limited to the power to retain, invest, and reinvest the assets of the Fund in any manner it may see fit, without being subject to the investment restrictions, statutory or judicial, which otherwise would be applicable to it as a fiduciary, and the power to commingle the assets of the Fund with those of other funds at Stonewall for investment purposes only.
3. However, it is understood that I may periodically submit to Stonewall the names of organizations or projects for which it is recommended that distributions of principal may be made in furtherance of Stonewall's exempt purposes. Such recommendations shall be solely advisory, and Stonewall may reject them, applying reasonable standards and guidelines to these recommendations.
4. Until the Fund has been exhausted or otherwise terminated, all distributions from the Fund shall reflect that they are being made from the "*Name of the Fund* Fund of Stonewall Community Foundation".
5. The status of Stonewall as a publicly supported tax-exempt organization pursuant to the Internal Revenue Code of 1986 as amended must remain in effect during the term of the Fund. In the event such tax-exempt status is revoked or otherwise terminated, the Fund shall be distributed to such tax-exempt charitable and educational organizations, as we shall direct or, in the absence of direction, as the Board shall determine.

6. In the event that no request is made from the fund for three years (3) and a letter with respect thereto is sent to me at my last known address, and no request is made within 60 days of the receipt of that letter, the Board of Directors reserves the right to transfer the remaining balance to the Stonewall general or endowment funds at their discretion.

Kindly indicate on the enclosed copy of this letter your acceptance of the foregoing terms and conditions and return the copy.

Very truly yours,

Donor Name

ACCEPTED and AGREED to:

Stonewall Community Foundation

By: _____