
Frequently Asked Questions



Questions for Individuals Considering a Presbyterian Homes Foundation Donor Advised Fund:

Will Donor(s) receive statements regarding their donor advised fund?

Yes. The creator of a Presbyterian Homes Foundation donor advised fund will receive quarterly statements on the funds in their account available for grants. The account Donor(s) will also receive notification of the making of each of their requested grants when the grant has been made.

Is there an administrative fee for a donor advised fund?

Yes. The administrative fees for a donor advised fund account are:

Account Value	Administration fee	Financial Fee	Total Annual Fee
\$25k to \$100k	0.60%	0.40%	1.00%
\$100k to \$200k	0.50%	0.40%	0.90%
\$200k to \$1m	0.40%	0.40%	0.80%
\$1m to \$5m	0.35%	0.40%	0.75%
\$5m to \$10m	0.30%	0.40%	0.70%
Over \$10m	Negotiable		

These fees are assessed on a quarterly schedule. The American Gift Fund charges a fee for providing administrative services. The financial fee covers the cost of investment management. All accounts will be custodied and managed at RBC Wealth Management by the Lambert Dickson Group in Minneapolis, Minnesota. No fees are paid to Presbyterian Homes Foundation.

Are there additional fees on top of the Administration and Financial Fee?

Yes, the underlying mutual funds/ETF's will have a management fee that varies, depending on actual fund(s) selected by RBC in the donor's investment objective.

Is there a minimum or maximum amount for a grant that I recommend?

The minimum grant is \$500 and the maximum is the value of your account minus any fees if you wish to close your account.

Can I arrange an annual grant to a charity?

Yes, you can accomplish this by completing the grant recommendation form.

Can I deduct from taxes each grant I make?

No. The tax deduction occurs when the account holder makes gifts to their accounts. Individual grants made to charities from the account are not eligible for a tax deduction.

Can I change the investment objective of my account?

Yes. Three types of investment accounts with specific investment objectives for accounts. Account holders can alter these accounts over time. Account holders are also encouraged to speak with their investment advisor regarding their investment objectives for American Gift Fund accounts.

How do I request that a grant be made?

Making a grant request is simple. A request can be made by completing the Grant Recommendation Decision Form and emailing it to raanee.truman@cnb.com and christine.march@cnb.com. There is also an online Grant Request Form on the American Gift Fund website, www.giftfund.org. This is the quickest and most simple method to make grant requests. The Grant Recommendation Decision Form can also be faxed to 302-892-6982, or mailed to P.O. Box 15627, Wilmington, DE 19850.

What type of assets can I contribute to a Donor Advised Fund?

The fund can accept various types of assets, including appreciated securities. These assets would be valued at the time of contribution to a donor advised fund for tax deduction purposes. The value of a contributed asset, other than cash placed in a donor advised fund would be the value of the asset when converted to cash. These conversions are made in a timely manner by the American Gift Fund, but may reflect an increase or a decrease from the original gift tax deduction value. If you have questions about contributing assets other than cash, please contact the American Gift Fund.

Can I contribute assets from an IRA to a DAF?

No. This is not permitted by the IRS.

Will I receive an acknowledgment for my grant contributions and account gifts?

Yes. All grant contributions and account gifts are acknowledged, with a copy of gift check and grant checks, to the account holder.

What are the account minimums and how often can I make contributions to my DAF?

The minimum initial contribution is \$25,000. Subsequent gifts may be made as often as you would like for \$1,000 and above.

How are capital gains treated for gifts of appreciated securities?

Appreciated assets can be contributed to the fund. Subject to certain limits, the appreciated value is deductible for income, gift and estate tax purposes.

Can my company match a grant that I make from my DAF?

Yes, however, the terms of your company's matching grant program will be the determining factor.

What are the account minimums?

The minimum initial contribution is \$25,000. Subsequent gifts may be made in the amount of at least \$1,000.

Is there a time limit in which my account has to send out all of its funds?

No. Account holders have no time limits on making grants from gifts made to their accounts. There is no annual granting requirement.

Is a DAF account subject to the excise tax that is charged to some private foundations?

No.

Am I required to distribute 5% per year for my gift fund account?

No. Account holder is not subject to the Private Foundation requirement.

How soon can an account issue grants after being created?

Once the account has been opened and funded, grant requests can be made immediately.

The American Gift Fund; who we are

The American Gift Fund was founded in 1998. The Fund was one of the earliest Donor Advised Funds approved by the US Internal Revenue Service.

The administration, account management, verification of donor advisor grant recommendations, grant payments, and investment management for all American Gift Fund donor advised accounts is provided by RBC Trust Company (Delaware) Limited.

RBC Wealth Management is the investment advisor for the Presbyterian Homes Foundation Donor Advised Fund program.

Questions for Individuals Recently Opening a Presbyterian Homes Foundation DAF Account:

Is there a minimum grant size?

Yes, minimum grant size from an individual American Gift Fund accounts is \$500.00.

Is there a minimum or maximum amount of grants that must be made annually from an account?

There is no annual minimum or maximum amount of grants that must be made from an account.

Who verifies that a grant made to a charity by an individual American Gift Fund is a 501(c)3 charity?

All requested grants to a charity are verified by the American Gift Fund that the charity is an IRS approved 501(c)3 charity.

What is the normal time required to issue a grant after receiving a grant request?

All requested grants are made directly to the charity in an expedited manner. Grants are made 10 to 12 days following approval of the grant. Grants are approved twice a month.

What if I need a Rush Grant to be made?

Normal approval and issuing of grant checks is 10 to 12 days. If an issue arises where an expedited grant is required, please contact American Gift Fund with this issue.

What about grants close to the end of the year?

During the month of December, grant requests must be received by The American Gift Fund on or before December 15 in order to guarantee a distribution before the end of the calendar year.

What is the minimum amount that can be transferred into an existing DAF?

\$1,000.