



OSHKOSH AREA
COMMUNITY
FOUNDATION

DONOR ADVISED FUND HANDBOOK



Our Mission is Simple: *to Strengthen our Communities.*

We accomplish this through:

- Leadership and funding to address current and emerging needs.
- Collaboration and partnership with donors or others to ensure lasting impact.
- Outstanding stewardship and inspired philanthropy.

We are a Foundation focused on improving the lives of residents in the communities we serve.

Our Vision

The Foundation advances the communities' quality of life and capacity for excellence.

For Fundholders

The Fund Advisor Portal is an online source for all information about your fund. When you log on to the portal you can view your fund balance, view gifts to your fund, view grants made, and recommend a grant. Visit OshkoshAreaCF.org to get started.

Please contact us with questions at (920) 426-3993 or send an email to Info@OshkoshAreaCF.org.



Your Online Portal for your Charitable Fund at the Oshkosh Area Community Foundation

The Fund Advisor Portal gives you online access to your fund and grantmaking information and enables you to recommend new grants anytime, anywhere. With this portal, you can effortlessly connect to the causes you care about.

With the Fund Advisor Portal you can:

Give proactively with a grant request form

The portal's enhanced grant request form lets you log on and suggest a new grant the moment you think of it, regardless of time or location.

Keep fund summary information at your fingertips

On your Fund Advisor Portal home page, you will find your fund's current balance along with recent contributions and grants.

Save time with online access to fund statements

Simply log in to your account and download your statements instantly, right when you need them.

Frequently Asked Questions

How do I recommend a grant?

Click on "Grant Request" from the top navigation bar. Select a previous grantee from the drop-down menu, search other Foundation funds, or search for other grantees. You can also enter the organization's information manually if you are unable to find the organization using the search feature. We will contact you if we have questions or concerns about your request.

How long does it take for my fund statement to appear online?

Fund statements are generally available on the portal two to four weeks after the end of the month. You will receive an automated email notification, to the email address on file with the Foundation, when fund statements are available. Your statement may not reflect all deposits to and grant disbursements from your fund if the processing time overlapped the month end. The portal activity is updated in real time.

How can I view past grants I've made through my fund?

On your Fund Advisor Portal home page, click the "Grant History" tab. This tab shows a list of grants made from your fund. Clicking on the grantee name will display the history. You can export this information into an Excel spreadsheet by clicking on the Export tab.

Quickly find suitable charities to support

You can support any nonprofit organization, Foundation fund, or special project through the Fund Advisor Portal. Simply click on "Grant Request" from the top navigation bar. Under "Search for other Grantees," the system will search GuideStar, the world's largest database of nonprofit organizations, and provide a list for you. Once you find the organization you want to support, click "Create Request."

How long does it take for my grant to be processed?

Generally, grant recommendations are processed within two weeks. The Fund Advisor Portal forwards your grant request to the Director of Donor Services, who then reviews the request and directs the disbursement to the appropriate organization. You will receive a confirmation e-mail from the portal that your request has been submitted.

When entering grantee information manually, why does the portal ask for an organization address and other details?

We ask for the address of a new organization to capture as much information as possible. We want to be sure your fund disbursement is going to the exact organization you specify. Many organizations have several facilities and affiliates in our region and across the country. Please fill out as much information as you have, and we'll contact you with any questions or concerns.

What is a Donor Advised Fund?

Donor Advised Funds are unique. A single gift to the Foundation can establish the fund (\$10,000 is the recommended minimum) and allows the donor to maintain a hands-on and flexible approach to their charitable giving. Fund holders may recommend grants from the fund as frequently as they wish. Donor Advised Funds are often an attractive alternative to the creation of a private foundation.

When you establish a Donor Advised Fund, you receive a tax deduction for the original, and any subsequent, gifts to the fund. You may then suggest deserving charities to benefit from the fund, as soon as the fund is established – often, the very same day. Grants are then made, in the name of the fund, to the charities of your choice.

While legal control of the fund rests with the Community Foundation, donors can be assured their advice is taken seriously. Investments, paperwork and grant monitoring are handled by the Community Foundation with recognition directed to the donor. (If you desire, your gifts to and/or grants from the fund can be anonymous.)

Compare Your Options	Starting a Donor Advised Fund at OACF	Starting a Private Foundation
<i>Set up Time</i>	As little as 1 day	6 - 9 months
<i>Start-up Costs</i>	None	Typical costs of creating a corporation (legal, accounting, etc.)
<i>Annual Costs</i>	Total fees less than 1.5%	Extensive administration, legal and investment costs
<i>Initial Gift Minimum</i>	\$10,000	\$5 - 10 million recommended
<i>Annual Tax Filings</i>	Not required (part of annual reporting)	Must be filed by private foundation staff
<i>Record Keeping/Accounting</i>	Provided by OACF staff	All services arranged by private foundation staff
<i>Payout Required</i>	None	Yes - 5% annually
<i>Annual Taxes</i>	None	Yes - up to 2%
<i>Governance & Oversight</i>	OACF Board of Directors	Private foundation board
<i>Grantmaking Strategy Assistance; Information on Community Issues</i>	Yes, if donor desires	None, must hire private foundation staff
<i>Confidentiality</i>	Yes, donor can choose anonymity both in giving and grantmaking	None
<i>Donor Control of Distributions</i>	OACF carries out donor's wishes via grant recommendations, subject to OACF Board of Directors approval	Subject to private foundation's board
<i>Ability to Give to Multiple Nonprofits and Causes</i>	Yes	Yes
<i>Investments</i>	Active board oversight record of long-term growth by top-tier investment managers	Private foundation staff must oversee, management could be costly, depending on assets

Legacy

Donor Advised Funds can make a statement. You can name them for your family or company, or in honor of a co-worker or loved one. They are also an effective way to encourage philanthropy with your family or employees. You can involve your children, grandchildren and even future generations of family members in your grantmaking and name them as successor advisors. The fund can be recognized in the Foundation annual report as well as our online listing.

Board Oversight & Accountability

All of the Foundation funds are governed by a local Board of Directors. These volunteer members are selected for their ability to gauge community needs and uphold each donor's original intent. In addition, the Foundation undergoes an annual independent financial audit and regularly provides its donors with financial reports.

No Administration

Donor Advised Funds relieve you of all the work. The Foundation handles all of the due diligence, record keeping, check writing, gift acceptance and tax filings. You can support as many charities as you wish with your Donor Advised Fund.

Low Cost

Donor Advised Fund fees are minimal. The fees the Foundation charges support fund management, tax return filing, investment performance oversight, an annual independent audit, grant processing and grant request evaluation. Starting your Donor Advised Fund is free and can be done in as little as one day. In contrast, starting a private foundation requires upfront fees, tax filings and IRS approval, which can take months.

Strategic & Geographically Flexible

A Donor Advised Fund with the Foundation gives you time to plan and be strategic about your charitable giving. Establish or donate to your fund when it makes the most tax sense, then distribute charitable gifts through grants from your fund to the right charity or project that comes along, either in the Oshkosh area, across the nation or in some cases the world. The only stipulation is that the organization must be a 501(c)(3) qualified nonprofit.

Team of Experts

From accounting, legal and investment management, no other organization can offer such a wide range of expertise and the efficiency of scale. In addition, the professional staff at the Foundation have the skill and the time to research programs and charitable causes of interest to you.

Remain Private

While private foundation giving is public record, grants made through Donor Advised Funds can be made anonymously. You can also name your fund in such a way that fully protects you from funding appeals.

Diversified Investments

Since charitable funds are pooled for investment purposes, the Foundation can provide a diversified portfolio with very low management fees. The Foundation works closely with a committee of volunteers including skilled investment managers who carefully evaluate fund manager performances with help from an outside investment consultant.

The Oshkosh Area Community Foundation welcomes the opportunity to partner with people who wish to be actively involved in grantmaking. The IRS allows community foundations to offer donors the opportunity to make tax-deductible gifts at the most advantageous time for them and then to recommend grants over a prolonged period of time through an advised grantmaking fund. The IRS expects that community foundations will administer advised funds in a manner that will maximize the benefits to the community and ensure effective charitable giving.

Fund Size

No minimum fund size is required. The fund balance will increase and decrease over the life of the fund as a result of gifts, grants, investment activity, etc.

Recommending a Grant

1. Grants may be recommended at any time. Advisors may make a grant recommendation using either:

- A donor advised recommendation form, with signature
- An e-mail request or
- An electronic request through the online Fund Advisor Portal.

2. The minimum grant amount is \$100.

3. Advisors may recommend grants to any organization defined as a 501(c)(3) public charity or a 509(a)(1). Grants must be used for charitable purposes as defined by IRS 170(b)(1)(A). Advisors may also recommend grants to most units of government (e.g., public schools, colleges and universities, town and municipal governments, police departments, etc.). Grants to organizations not described in 170(b)(1)(A) of the Internal Revenue Code such as non-charities, private non-operating foundations, or certain supporting organizations of public charities all require expenditure responsibility. Expenditure responsibility procedures are outlined in the Foundation's Due Diligence and Expenditure Responsibility Policy.

4. Foundation staff is responsible for the approval or declination of grants in compliance with the Foundation's grant policy and the IRS Pension Protection Act of 2006. Each grant recommendation is evaluated with final approval by the Board of Directors.

5. Grants may not be used to pay membership dues or a personal pledge. An advisor may notify a charitable institution that he or she will recommend a grant from the fund but Foundation staff will evaluate the recommendation to ensure it is permissible.

6. Grants may not be earmarked for a specific individual by the advisor.

7. No goods or services (i.e. tables, tickets to events, etc.) may benefit the advisors or their family members.

Considering & Approving Grants

The Foundation will maintain internal documents showing discussion of donor intent when making grants from the fund (such documents may include board minutes or the materials provided to the board for grant making ratification/voting).

Donor Intent & Fundraising

Foundation staff will periodically review gift agreements with living donors to determine if changes are necessary. The Foundation will maintain records of both the planning and donor conversations. Donors may wish to raise money to add to their advised funds. Fundraising, if permitted, must strictly adhere to the guidelines in the Foundation's Fundraising Policy as well as to any additional restrictions imposed as a condition of the Foundation's consent.

Grant Restrictions

The Internal Revenue Code prohibits grants to individuals from donor advised funds. Also prohibited are grants for political contributions or to support political campaigns. Grants may not result in benefits, goods, or services to the donor, the fund advisor, members of their families, and businesses they control. Failure to observe this restriction can subject the fund advisor to tax penalties. Benefits include payment of pledges, event tickets, meals, sponsorships, registration fees, discounted merchandise, preferred parking and/or seating, and memberships unless the membership confers nothing of value. Please contact the Foundation if you have questions about whether or not a grant you are considering will result in a prohibited benefit.

Payments from Donor Advised Funds

Expense reimbursements, loans, compensation, and other similar payments are not permitted from a donor advised fund to a donor, fund advisor, or related party.

Fund Recognition

All grants are made in the name of the fund unless an advisor requests to remain anonymous. It is also the practice of the Foundation to list all funds in its annual report, unless the advisor requests otherwise.

Fund Advisors & Management

The initial advisors to the fund are those person(s) named in the fund agreement. At any time the fund has multiple fund advisors, the fund advisors shall select one advisor who will make grant recommendations to the Foundation. Advised funds are not considered private foundations, therefore advisors may not retain control of investments, including the retention or sale of any assets contributed.

Variance Power

Notwithstanding anything to the contrary, the fund shall at all times be held and administered in accordance with the provisions of the Articles and Bylaws of the Foundation's Corporation, including those provisions relating to amendment, termination and variance from the donors' direction. The Foundation has explicit authority to redirect the assets of any fund it administers. The Foundation does not anticipate exercising such authority unless, in the opinion of the Board of Directors, the purposes for which the fund was established become unnecessary, incapable of fulfillment, or inconsistent with the needs of the community. In the event of any such variance, the Foundation shall apply the spendable portion of the fund in such a manner as to most closely approximate the original purposes of the fund. All assets of the fund shall be assets of the Foundation and not a separate trust.

Acceptable Types of Fund Activity

The following are definitions of fund activity that leads to fund distributions.

A fund is considered active when there is regular communication between a donor (or named successor(s)) and the Oshkosh Area Community Foundation regarding the existence and purpose of that fund. Examples of some of the activities that would deem a fund active include (but are not limited to):



Developing a Philanthropic Program

The donor advisor makes a substantial contribution to the donor advised fund (for example, upon the sale of his or her business) and refrains from recommending grants for a given initial period while the fund advisor consults with the sponsoring charity, and/or does his or her own research, to determine what types of grants will best meet community needs and/or his or her philanthropic goals. The Oshkosh Area Community Foundation should be given a reasonable expectation of when the advisor will have the information needed in order to begin granting.

Regular Grant Recommendations

The donor advisor generally recommends grants at least annually to qualified charitable organizations. The amount of grantmaking can vary from year to year.

Long-term Giving Plan

The donor advisor deliberately reduces the frequency or size of grant recommendations from the fund, for example:

1. The donor advisor reduces the frequency or size of grant recommendations during his or her working years with the intention of increasing the donor advised fund balance in order to support grantmaking during his or her retirement.
2. The donor advisor may want to build a fund over time so the donor's children can make grants later (the idea being that the donor is leaving a charitable legacy for the next generation to administer).

Activating Grantmaking

Should grant activity stop for more than a 2-3 year period, steps will be taken by the staff or the board to activate that fund. These steps may include such activities as:

Notifying the fund holder regularly and periodically (for example, three times over a period of three years) to encourage the fund advisor (holder) to activate the fund. Documentation of these notifications will be maintained by the Oshkosh Area Community Foundation.

Distributing grants from the fund to qualified grant recipients that align with donor intent. If the Foundation determines such intent is obsolete, incapable of being fulfilled, impractical, or inconsistent with the community's charitable needs, then the Oshkosh Area Community Foundation may exercise overriding variance power to enable the Foundation to continue to use its resources to meet the needs of the community and to address the charitable purposes for which the funds were committed.



Fund Management

Funds of the Oshkosh Area Community Foundation are professionally managed by our Investment Consultant and Investment Managers. Consultants and managers are under the supervision of the Community Foundation's Investment Committee. The Investment Committee is comprised of highly competent business and financial leaders in our community. The majority of the Community Foundation's assets are pooled and a balanced investment strategy is utilized. This balanced investment strategy produces funds for grantmaking, at the same time providing for growth and principal balance security. However, if the fund is of significant value, you may request to use a specific money manager as long as the money manager uses the Community Foundation's Investment Policy. The Community Foundation is audited annually and the audit is made public in our Annual Report.

Additionally, 990's and audits are available upon request and can be viewed online at OshkoshAreaCF.org, or by calling (920) 426-3993.

Non-Endowed vs. Endowed Funds

Funds can be endowed (only the earnings - not the principal - are used to make grants) or non-endowed (distributions can be made from both income and principal).

Endowed Funds

Endowments are permanent funds established to perpetually carry out the donor's philanthropic intentions. In essence, endowments are gifts that keep growing and giving. Assets are invested for growth, and the amount available for grants each year is based on a "spending policy" that may be changed by the Foundation's Board. Contact our Donor Services staff for more information about the current spending policy.

Non-Endowed Funds

Non-endowed funds allow grant distributions from the fund's total balance, excluding \$10,000.

A non-endowed fund may be converted to an endowment usually upon the passing of the original donor(s), but an endowed fund may not become non-endowed.

Fee Assessments

1. An investment fee is charged by the Investment Managers. This fee covers costs incurred to manage and invest each fund.
2. An administrative fee is charged by the Oshkosh Area Community Foundation to help cover operational costs for each fund.

Administrative fees are assessed monthly, based on the fund’s market value in the previous month. Investment fees are passed along monthly/quarterly to the fund as the Community Foundation receives them. All fees are charged directly to the fund and do not require additional payment by you. The Community Foundation does not charge a transaction fee for new contributions, for distributions to charities or for regular administrative support by our staff.

Fund Statements

The Community Foundation updates fund statements monthly on the Fund Advisor Portal. Donors and fund advisors can access posted fund statements, on the Fund Advisor Portal, 24 hours a day. Quarterly and fiscal year fund statements can also be mailed, by request.

Sample Fund Statement

Ms. Fund Contact
Address
Oshkosh, WI 54901

ABC Fund
Statement of Account Activity
For the period September 01, 2023
through September 30, 2023

Beginning Fund Balance	508,228.39
Revenue	
Description	Period Total
Contributions	5,523.00
Dividends and Interest	2,529.88
Interfund Transfers In	500.00
Non-Deductible Contributions	1,000.00
Realized Gains/(Losses)	(701.50)
Unrealized Gains/(Losses)	12,780.16
Net Revenue	21,631.54
Distributions and Expenses	
Description	Period Total
Distributions	38,500.00
Foundation / Investment / Bank Fees	1,446.56
Gift Processing Fees	5.72
Interfund Transfers Out	2,500.00
Program Expenses	1,500.00
Total Distributions and Expenses	43,952.28
Ending Fund Balance	485,907.65

Explanation

Beginning Fund Balance

This is the fund balance at the beginning of the time period that is identified in the statement heading.

Revenue

- Contributions* – includes all tax-deductible gifts received into the Foundation, for this fund, during the time period that is identified in the statement heading.
- Dividends and Interest – reflects interest and/or dividends earned by the fund investments.
- Interfund Transfers In* – reflects transfers into the fund from other Foundation funds.
- Non-Deductible Contributions* – includes all non-deductible gifts received into the Foundation, for this fund. These contributions are not tax-deductible to the donor; this could be for a number of reasons including, but not limited to, a contribution that was received from another entity in which the tax deduction was received at the time the gift was made to that entity, a contribution for which a benefit was received (such as an event table, golf outing, etc.).
- Realized Gains/(Losses) – reflects gains and losses as a result of the sale of fund investments.
- Unrealized Gains/(Losses) – reflects fluctuations in the market value of the fund.

Distributions and Expenses

- Distributions* – includes all charitable distributions (grants) disbursed from the fund.
- Foundation / Investment / Bank Fees – includes Foundation, investment management and/or bank fees charged to the fund.
- Gift Processing Fees – reflects fees for online donations made to the fund.
- Interfund Transfers Out* – reflects transfers out of the fund into other Foundation funds.
- Program Expenses* - includes payments out of the fund to vendors.

Ending Fund Balance

This is the fund balance at the end of the time period that is identified in the statement heading. It can be recalculated by adding the beginning fund balance + revenue – distributions and expenses.

*Details for these line items are listed on additional pages of the complete fund statement.

Discovering Your Passion

During your initial meetings with our Donor Services staff, we strive to discover the causes and initiatives you care about. Sometimes donors identify a specific area they wish to support, however, during our many conversations and questions posed by our team, they may realize their interests lies somewhere completely different.

Our goal at the Foundation is to help you discover your true passion.

Matching Your Passion

Once you have discovered and determined what your true passion is, we work with you to match programs and organizations that align with it and your philanthropic goals. By going through this process, you can be comfortable and confident you are supporting causes you truly care about and which The Foundation has thoroughly vetted.

Your Passion, Your Choice

We understand the importance of privacy when it comes to philanthropy. Some donors wish to remain anonymous. Others wish to have the organization informed who gave the gift. The Foundation takes multiple steps to ensure donors who wish to remain anonymous are kept anonymous.



**"NO ONE IS USELESS IN THIS
WORLD WHO LIGHTENS
THE BURDENS OF ANOTHER."**

- CHARLES DICKENS



**OSHKOSH AREA
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Photo Credit: Jim Koepnick (Cover, 2, 6, 8, 9, Backcover)

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