



MAKING GRANTS FROM YOUR FUND

You can request a grant to any IRS-approved 501(c)(3) charity in the United States. Please be sure to tell us whenever you want the grant to be used for a particular purpose by the charitable organization; otherwise, we will inform the recipient organization that it is to be used for general purposes.

- 1) **Make your grant recommendations by** (select one):
 - Submitting a request through **My Fund** on the Community Foundation website (www.cfloouisville.org), or
 - Sending written instructions via post mail (using a Community Foundation Grant Recommendation Form).
 - » **Please note:** the minimum grant amount is **\$100**.
- 2) **Your grant recommendation will be reviewed, processed and mailed** to an approved nonprofit organization. Generally, grant distribution requests received by Friday will be mailed on the following Friday. Requests over \$250,000 require an additional processing step, which may delay delivery.
- 3) **Information accompanying each grant check** states that the grant is "made possible by (your name)" and includes a contact name and address. If you would prefer your grant recommendations to be anonymous, or if you would like to use a different designation, just let us know.
- 4) **To confirm the grant is issued**, you may request a copy of the transmittal letter that accompanies the grant check, or a copy of the Grant Recommendation Form.

There are some restrictions on the types of grants that can be made from a Community Foundation Fund. Please refer to page 2 for detailed information.

IMPORTANT TAX INFORMATION:

You receive a tax deduction based on your contribution(s) to your Fund, so subsequent grant distributions from your fund have no tax implication.

GRANT DO'S AND DON'TS

DO:

- Do make recommendations for grants of at least \$100.
- Do tell us when your grant is to be used for a specific purpose such as a capital campaign or a specific project of a charitable organization.
- Do ask that we make a grant recommendation from your fund anonymously whenever you wish.

DON'T:

- Don't ask us to make a grant to pay dues, pledges, or fulfill any legally enforceable obligation.
- Don't ask us to make a grant to an organization for any type of membership, a ticket to a fundraiser, goods at a charitable auction, contribution to a college athletic fund, or other contribution that provides a personal benefit to you or another person.
- Don't ask that a grant be made to a private foundation, for lobbying purposes or to support a political campaign.
- Don't ask us to make a grant to a person, to benefit a specific individual, or a non-501(c)(3) organization.
- Don't ask us to make a grant, loan, or provide compensation to any donor, advisor, or related parties.



COMMUNITY FOUNDATION
OF LOUISVILLE

PROHIBITED GRANTS FROM YOUR FUND

There are some limitations on the types of grants that can be made from your Community Foundation Fund. Federal tax law does not permit the use of charitable dollars to pay for a personal benefit or for services rendered to you or another specified individual. Further, grants cannot be made to a private foundation for lobbying purposes or to support political campaigns.

Please also note that neither the Community Foundation nor any other charity or foundation is legally permitted to pay dues to an organization, pay a pledge, or fulfill a legally enforceable obligation. The Foundation prohibits any grants, loans, or other types of compensation made to donors, advisors, or related parties.

When making a grant recommendation to a public charity, we will verify that no goods or services were provided in exchange for the grant. Common examples of "goods or services" include: certain membership benefits, tickets to fundraising dinners, contribution to a college athletic fund, or goods purchased at charitable auctions and other fundraising events. The Foundation cannot make grants to a charity when there are tangible benefits to the donor.

Example: You wish to purchase a table to the annual gala fundraiser for the XYZ Charity. The price for a table is \$1,000, but only \$750 of the price is tax-deductible. Because a portion of the event ticket is not tax-deductible, you cannot pay for it from your Community Fund.

An exception: if you choose to decline the benefit (you put in writing that you do not accept the tickets to the fundraiser), you may make a grant recommendation for the full \$1,000. Should we later discover that you or another person received something of value in exchange for your contribution, we will ask you to reimburse the Foundation for the non-charitable portion. If you don't intend to participate in an event, it is best to request a grant for general operations.

QUESTIONS?

Contact Chelsea VanHook, Grants Associate, at chelseav@cflouisville.org or 502.585.4649.