



## Policies

### CHARITABLE CHECKING FUND

#### **Contributions to a Charitable Checking Fund**

Contributions to funds at the Community Foundation of Louisville (“Foundation”) are irrevocable gifts to a public charity and eligible for the maximum tax deduction allowed by law. The Foundation accepts gifts including cash, publicly traded securities, private business interests, cryptocurrency, and real estate. Any person or organization may make a contribution into a donor’s fund. All contributions are subject to review and approval by the Foundation prior to acceptance and are irrevocable once accepted. The Foundation does not provide tax, legal, or financial advice and encourages donors to consult with their own professional advisors prior to making a contribution.

#### **Contributions of Non-Cash Assets**

The general policy of the Foundation is to sell all contributed property as soon as practicable after receipt. For non-publicly traded assets, the Foundation will exercise discretion as to the holding period and sales price. Any costs incurred by the Foundation necessary for the disposition of securities and other assets, or necessary for the holding and management of other assets, will be an expense charged to the CCF. These costs may include commissions for the sale of contributed stock, expenses for the management of assets prior to disposition, and annual appraisals as necessary or required.

#### **Grants from Charitable Checking Funds**

Grants may be distributed to any 501(c)(3) public charity in the United States as well as certain other qualified organizations. Unless otherwise indicated, grants will be made in the name of the donor’s fund and the donor’s name and mailing address will be shared with the grantee organization. Grants must be at least \$100 and can be designated for a specific purpose and/or made anonymously.

The Foundation reserves the right to deny grant recommendations from CCFs to organizations that attack or malign individuals or groups of individuals on the basis of their having certain characteristics, including but not limited to their ethnicity, race, age, gender identity/expression, sexual orientation, national origin, economic background/circumstances, physical and/or mental abilities, veteran status, regional differences, marital or parental status, immigration status, philosophy/religion, education, and/or grants to organizations with policies or practices that do not align with the Foundation’s mission and core values.

The IRS does not allow the Foundation to make distributions from a CCF to individuals or to pay fundraising expenses. Grants from a CCF cannot confer any direct or indirect benefit on the donor, fund advisor, or related persons. Such prohibited benefits include paying membership dues, fulfilling a legally enforceable obligation (including a pledge), purchasing items at a charitable auction, contributing to a college athletic fund, or purchasing tickets for an event.

The IRS also does not allow the Foundation to make distributions from a CCF to support a political campaign on behalf of, or in opposition to, any candidate for public office, or to support activities that are in direct support of, or in opposition to, a specific piece of introduced legislation. Because contributions to CCFs are eligible for a charitable tax deduction, grants subsequently made from CCFs are not tax deductible.

### **Joint Fund Policy**

For joint CCFs, in the event of a divorce or separation, absent contrary direction agreed to by the joint fundholders, the fund shall be divided equally between the joint fundholders and two separate funds will be created.

### **Letter of Final Disposition**

In a Letter of Final Disposition, the fundholder may identify qualified charitable organizations to receive the remaining balance in the Fund following their death and/or the death of their spouse. In the alternative, the fundholder may distribute the remaining balance to an existing permanent endowment fund at the Foundation or use the remaining balance to create a new permanent endowment fund at the Foundation, such as a scholarship fund or a designated fund that supports a specific list of charities. If you would like to learn more about starting a new permanent endowment fund with the remaining balance in your CCF, please contact the Foundation at 502.585.4649 or [stewardship@cflouisville.org](mailto:stewardship@cflouisville.org).

### **Fund Activity**

The Foundation monitors the use of CCFs to ensure their activity leads to charitable distributions. The Foundation periodically audits funds that are inactive to ensure the Foundation understands the fundholder's charitable intentions for their fund. In the event that no grant recommendations have been submitted for 3 consecutive years and efforts to contact the fundholder have not been successful, the Foundation may presume that no one has an interest in advising the fund and may terminate such rights after written notice to the fundholder.

### **Fund Statements**

Fund statements will be available on a quarterly basis through the online donor portal. If you would like to receive fund statements through the mail, please contact us at [stewardship@cflouisville.org](mailto:stewardship@cflouisville.org) or 502.585.4649.

## **Fundraising**

Individual component funds cannot use the Foundation's 501(c)(3) status or EIN to submit grant applications or funding requests to outside funders, such as government entities or private, public or corporate foundations.

The Foundation cannot sponsor or reimburse expenses for any fundraising activities or any other events intended to benefit any charitable checking fund, and will not be responsible for the collection of any amounts from any benefit, ball, banquet, athletic event or third-party online fundraising page. Please consult the Foundation before planning any fundraising events as restrictions apply.

## **Actions by Agents**

Donors may designate an authorized third party, such as a professional advisor or power of attorney, to have access to their fund. Duly authorized third parties may have full access to a fund, which includes making grant recommendations, or read-only access. It is our practice to work with the authorized third party's support staff to carry out your wishes with regard to this fund.