

DONOR-ADVISED FUND PROGRAM GUIDE



Your Gift, Your Way!

SIMPLIFY & ENHANCE YOUR PHILANTHROPY

ecf

DONOR-ADVISED FUND PROGRAM GUIDE

Table of Contents

Welcome.....	1
About the Episcopal Church Foundation.....	1
Establishing Your Donor-Advised Fund.....	2
Assets to Establish a DAF.....	3
Naming Your DAF.....	3
Advisors to Your DAF.....	3
Succession Plan.....	4
Investment of DAF Assets.....	4
Investment Allocation.....	5
DAF Additions.....	5
Grant Recommendations.....	5
Grant Purposes.....	5
Grants with Benefits to the Primary Advisor.....	6
Grant Amounts.....	6
Processing the Grant.....	7
Distributing and Acknowledging the Grant.....	7
Online DAF Website.....	7
Tax Considerations.....	7
Reporting and Receipts.....	7
Conclusion.....	7

Appendix A

Investment Options.....	8
Application.....	9
Privacy Policy.....	17

As each has received a gift, use it to serve one another, as good stewards of God's varied grace.

—1 Peter 4:10

WELCOME

Thank you for your interest, and generosity of spirit, in considering a Donor-Advised Fund (DAF) with the Episcopal Church Foundation (ECF). This Program Guide describes and explains the policies and procedures established by ECF for the DAF program.

ABOUT THE EPISCOPAL CHURCH FOUNDATION

Founded in 1949, The Episcopal Church Foundation is an independent, lay-led and inclusive organization that helps build, vitalize and transform Episcopal faith communities focusing on formation, finance and resources. Our purpose is to be a catalyst, agent, and advocate for transformation, renewal and growth in the Episcopal Church in practical, innovative and spiritually-grounded ways. As part of our mission, ECF provides relevant and meaningful opportunities for faithful and generous Episcopalians to live out Christian stewardship, including our ministries of planned giving, donor solutions and the DAF.

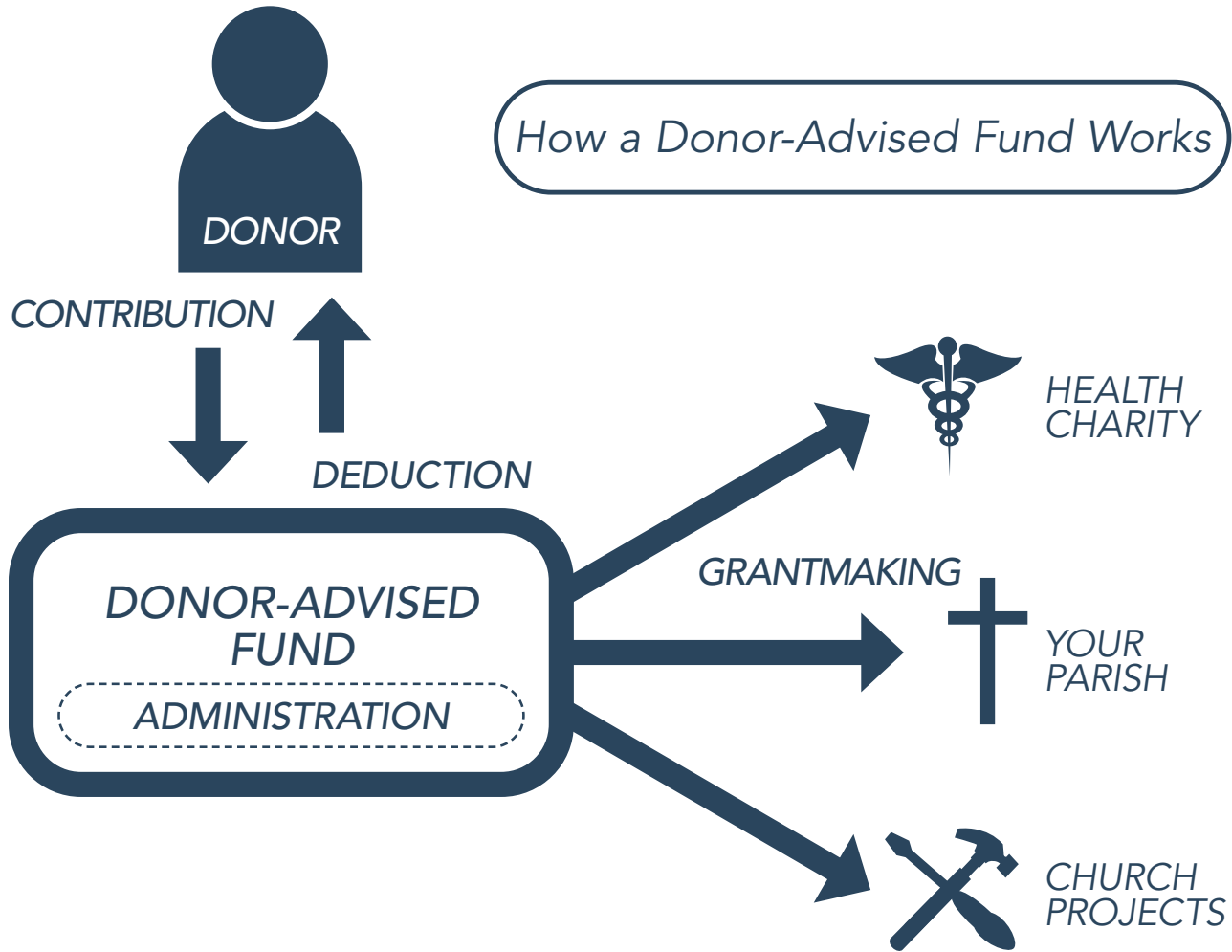
As stewards of over \$550 million in assets, ECF takes its fiduciary responsibility seriously and is committed to ensuring that your gifts are managed and invested prudently and professionally.

As we respond to God's call to serve the Episcopal Church and its members at all levels, we continue to seek new and innovative ways to raise resources for mission and ministry, both now and in the future. ECF is honored to work with you on achieving your charitable and philanthropic goals through the establishment of a DAF.

ECF has partnered with the Presbyterian Foundation and its New Covenant Trust Company, which manages over \$2.5 billion in assets, to provide administrative/ grantmaking support and investment services for this program. We are pleased to collaborate with such a respected and professional organization with over 25 years of experience in creating and managing DAFs.

ECF is a nonprofit corporation organized under New York State law and recognized by the Internal Revenue Service as a tax-exempt public charity as defined in Sections 501(c)(3), 509(a) and 170(b)(1)(A)(vi) of the Internal Revenue Code (IRC). ECF is eligible to receive tax-deductible charitable contributions under IRC Section 170(c). Contributions to ECF under the Donor-Advised program are irrevocable, nonrefundable and, to the extent allowed by applicable federal and state law, immediately deductible by the donor as a charitable contribution.

How a Donor-Advised Fund Works



ESTABLISHING YOUR DONOR-ADVISED FUND

To establish your DAF, please complete and submit an application together with your irrevocable gift to the Episcopal Church Foundation. A DAF can be established by individuals, corporations and other business entities, trusts and estates. If a DAF is established by a trust or estate, an individual must be named as the Primary Advisor. The application is included in this Program Guide, available online at www.ecf.org/programs/planned-giving-stewardship/donor-advised-fund and may be mailed or

emailed as indicated on the form.

The DAF is subject to the Articles of Incorporation, Bylaws and other governing documents of ECF, as well as the policies and procedures for administration of this program. ECF reserves the right to modify these documents at any time, especially if there are changes in the law governing DAFs. **ECF is the sole owner of the DAF, and its Board of Directors, officers and employees have ultimate control over all investments and grants under this program.**

In order to receive the associated tax benefits of a charitable deduction under applicable federal and state law, a donor's gift must be unconditional and irrevocable. Therefore, under this program, a Donor (Primary Advisor) may **recommend**, but not control, how assets in a DAF are invested and distributed, with all such recommendations subject to the approval of ECF in its sole discretion. Grants must be made to qualified charitable organizations as determined by ECF.

Assets to Establish a DAF

The minimum amount to open a DAF account is \$2,500. All gifts must be reviewed by ECF prior to acceptance. Once the gift is accepted and received, ECF will provide a receipt to the Donor. DAFs may be opened with a check, credit card, electronic funds transfer, wire transfer or marketable securities. While non-traditional assets will be considered for donation, they are subject to prior approval by ECF's Gift Acceptance Committee and may incur additional processing fees.

- *Gifts by check should be made payable to the Episcopal Church Foundation and mailed with the DAF application to the address on the form.*
- *Gifts by credit card can be made after contacting ECF.*
- *For gifts of publicly traded securities, please contact ECF at 800-697-2858.*
- *For gifts of other non-traditional assets (e.g., real estate, artwork,*

business interests, etc.), please contact ECF at 800-697-2858 for further discussion and review.

Please note that your DAF may be designated as a beneficiary in a will or other testamentary instrument as well as non-probate property including, but not limited to, an Individual Retirement Account (IRA), charitable remainder trust or life insurance policy.

For a current DAF fee schedule, please contact ECF at giving@ecf.org or 800-697-2858.

Naming Your DAF

When filling out the application, the Donor chooses the name of the DAF, e.g., the "John Smith Family Fund." The DAF name and the Primary Advisor will appear on all correspondence. Any grant to a charity may also be made anonymously and your preference can vary for each grant recommendation.

Advisors to Your DAF

Once the DAF is established, you, as the Donor, will be considered the Primary Advisor and will receive all correspondence related to DAF activities. If a DAF is established jointly with a spouse or another individual, both of you will be designated as Primary Advisors. Primary Advisor(s) have complete account privileges including making additional contributions to the DAF, recommending grants and investment allocations, naming grant advisors and establishing a succession plan.

Your Financial Advisor may also be

provided access to your account with the ability to make investment allocation recommendations and view statements online. (See instructions on application.) As Donor (Primary Advisor), you may name up to two additional people as successor Primary Advisors as a way of including and involving your family members and others in the work of the DAF. These successor Primary Advisors may also make grant recommendations and have online account access.

Succession Plan

Under this program, you also provide ECF with a “succession plan” for your DAF, which takes effect in the event of your death or incapacity, by selecting one of the three following options for the remaining assets in the DAF:

a) *Naming up to two successor advisor(s) to succeed you as the Primary Advisor on the DAF;*

OR

b) *Electing to distribute the remainder balance of your DAF to up to four recommended charities;*

OR

c) *Creating an endowment fund for the benefit of one or more Episcopal institutions, which ECF will hold, invest and distribute. (\$10,000 minimum for one entity, \$25,000 minimum for more than one, up to a maximum of four entities)*

While you can change your succession plan option at any time, you cannot name your own estate as a successor or make any such selection and recommendations

through any testamentary instrument, including wills or instructions to an executor. If no succession plan option is chosen, in the event of your death or incapacity, your DAF will be distributed to ECF for its discretionary use consistent with our mission.

ECF recommends that you and other Primary Advisors review your succession plan on an annual basis to ensure that it remains consistent with your wishes and that the information is current and accurate.

INVESTMENT OF DAF ASSETS

As Primary Advisor, you may recommend various investment options, including traditional and socially responsible vehicles, depending on your personal short- and long-term goals for making grants. See Appendix A for a listing of investment options currently available.

While ECF will make every effort to honor your recommendations, by law we must maintain complete discretion over the investment of the DAF, and we reserve the right to combine your DAF with other ECF assets. The value of any invested balances is normally determined on a daily basis, and market changes may cause the value of the DAF to fluctuate from the amount of your original gift. ECF will invest any dividends or capital gains distributions in a money market vehicle or among existing investment vehicles.

Investment Allocation

Once the DAF is established, you, as Primary Advisor, may recommend investment options, which must be

reviewed and approved by ECF and ultimately determined based on the timing of anticipated grants. If no investment recommendation is made, ECF will initially invest the assets in a fixed-income vehicle. Normally, contributions will be invested within ten business days once they are in a liquid or transferable form.

As Primary Advisor, you or your designated Financial Advisor may recommend changes to asset allocations in writing or online at any time.

DAF ADDITIONS

As Primary Advisor, you may add to the DAF at any time with no minimum amount, subject to the same conditions and restrictions associated with the initial gift indicated above, either online or through use of a downloadable DAF contribution form.

GRANT RECOMMENDATIONS

As Primary Advisor, you may make grant recommendations at any time either online or through a downloadable form. While ECF will make every effort to honor all grant recommendations, under federal law your recommendations are only advisory and in no way binding. ECF has appointed a group of qualified individuals to perform or supervise the due diligence review of each recommendation. We will notify you if your grant recommendation is not approved and provide you an opportunity to make an alternative recommendation.

Grant Purposes

As Primary Advisor, you may recommend grants to any charities that fall under Section 501(c)(3) of the Internal Revenue Code. You may also recommend that

a grant be used for a specific purpose that must be reviewed by ECF and, if approved, shall be communicated to the charity that receives the grant. ECF reserves the right, in its sole and absolute discretion, to approve or disapprove any recommendations for grants. ECF will not approve a recommendation for a grant that would, in whole or in part, be used for an ineligible purpose, including, but not limited to, the following:

- *Payment for dues or membership fees;*
- *Purchase of tickets to a benefit or fundraising event;*
- *Purchase of goods at a charitable auction;*
- *Political contributions or grants used for lobbying or political campaigns;*
- *Payments to satisfy a legally enforceable obligation or a personal pledge made by the Donor or Primary Advisor;*
- *Payment to any organization or individual related to the Donor or Primary Advisor;*
- *Payment to any organization or charity that is deemed in conflict with the mission of ECF.*

Grants with Benefit(s) to the Primary Advisor

The Pension Protection Act of 2006 subjects a Donor as a Primary Advisor or a Primary Advisor-related person to a 125% excise tax if any distribution results in the Advisor's "receiving, directly or indirectly, a more than incidental benefit as a result of such distribution." The 125%

is applied to the value of the benefit. In light of this potential penalty, you may wish to seek legal counsel as necessary and appropriate.

Grant Amounts

Each grant recommendation must be made for an amount of \$100 or greater in whole dollar amounts, or for the remaining balance of the DAF, whichever is less. ECF will contact Donors/Primary Advisors if any account balance drops below \$100.

Unless a DAF has otherwise been classified as a “long-term” DAF, if the DAF is inactive for five calendar years or the total grants distributed within that time period are less than \$200, ECF will notify you as Primary Advisor during the first quarter of the sixth calendar year requesting either that you submit one or more grant recommendations totaling at least \$200 or that your DAF be re-classified as a “long-term” DAF. If you, or your successor advisor, do not make grant recommendations by June 30 of this sixth inactive year, ECF will distribute the entire DAF balance to the ultimate charitable remainder beneficiaries or to any designated endowment funds, if so specified in the succession plans of a Donor’s application. If no ultimate charitable remainder beneficiaries or no endowment funds are specified, the DAF will be distributed to ECF for its own uses.

For “long-term” DAFs, ECF will contact you, as Primary Advisor, every five years to reconfirm your distribution plans and investment choices. If you do not respond to our attempts at reconfirmation, we will defer making any changes to the

investment allocation and will continue to attempt to contact you on a quarterly basis over the next year. If you do not respond by the end of the sixth year, ECF will distribute the entire DAF balance to the ultimate charitable remainder beneficiaries or to any designated endowment funds, if so specified. If no ultimate charitable remainder beneficiaries or no endowment funds are specified, the DAF will be distributed to ECF for its own uses. It is important that you keep in touch with ECF and respond to all of our requests for information.

If remainder values of your DAF are \$10,000 or greater, you may elect that ECF hold endowment funds “for the benefit of” one or more Episcopal charities (**\$10,000 minimum for one charity, \$25,000 minimum for more than one, up to a maximum of four**). These funds will be the assets of ECF, held for the benefit of the charity, and will be invested as a separate account in ECF’s endowment program. If you have chosen to have ECF hold endowment funds for the benefit of an Episcopal institution and the remainder value is less than \$10,000, ECF will distribute the remainder balance directly to the named beneficiary organizations for deposit into their endowments.

Processing the Grant

Normally, ECF will review your grant recommendations within five business days of receipt and will make the grant within ten business days. If the recommended charity has not been previously reviewed and determined to be qualified, a longer review and processing

time may be necessary. Once approved, ECF will disburse the grant from liquidated investments in your DAF.

Distributing and Acknowledging the Grant

Any grant distribution shall be accompanied by correspondence that indicates the name of the DAF and your name and address, unless you choose to remain anonymous, as well as any designated or specified purpose of the grant. Additionally, you may request that a grant be made In honor of, In Memory of, In the name of, or In Gratitude of a particular person(s) or entity.

As Primary Advisor, you may not act as an intermediary for delivery or distribution of a grant except with prior approval of ECF.

ONLINE DAF WEBSITE

After you have completed an application and opened a DAF, you may manage all aspects of your DAF through the online DAF website **www.ecf.org/programs/planned-giving-stewardship/donor-advised-fund** including:

- *DAF additions,*
- *Grant recommendations,*
- *Investment allocations,*
- *Quarterly statements and prior activity.*

TAX CONSIDERATIONS

Neither ECF, nor any of its directors, officers, employees, agents or representatives, are engaged in (a) providing legal, accounting or tax advice; (b) rendering legal or tax opinions; or (c) offering professional services other than those specified in this document. We

encourage you and each potential donor to seek legal, accounting or tax advice and/or other expert assistance from experienced and competent advisors prior to establishing a DAF.

REPORTING & RECEIPTS

As Primary Advisor, you will have access to DAF information online, including DAF balances, investment allocations and transactions (grant/addition histories and year-to-date totals of fees and income received), and other financial reports or information required by law. Please report any errors or other discrepancies to us within sixty (60) days so that we can make the necessary corrections.

CONCLUSION

We realize that this document contains a lot of technical information about the creation and administration of a Donor-Advised Fund. Most of these procedures are required by law or are designed to ensure that your DAF is well-managed and fulfills your philanthropic and charitable intent. Do not hesitate to contact us at 800-697-2858 if you have any questions, concerns or comments. God bless you and thank you for your generosity and faithfulness.

APPENDIX A: INVESTMENT OPTIONS

Assets in an ECF DAF may be invested in various fund options. The current options are listed below. If an investment recommendation is not made, the DAF will be initially invested in a Money Market option until a discussion takes place with the Primary Advisor regarding recommended distribution.

To learn more about these investment

options, please visit: www.ecf.org/programs/planned-giving-stewardship/donor-advised-fund or call 800-697-2858

ECF staff is happy to help choose how gifts will be invested based on your anticipated schedule for distribution. Allocations should be made in 5% increments on application.

Large Equity Blend	Active Passive	Oakmark I (OAKMX) Vanguard 500 Index Fund (VFIAX)
Mid Cap Equity Blend	Active Passive	Fidelity Low-Priced Stock (FLPSX) Vanguard Mid Cap Index Inv (VIMAX)
Small Cap Equity	Active Passive	Fidelity Advisor Small Cap I (FSCIX) Vanguard Small Cap Growth Index (VSGAX)
Foreign Large Equity Blend	Active Active	Janus Henderson Int'l Opportunities I (HFOIX) Fidelity Overseas (FOSFX)
Foreign Large Equity Value	Passive	DFA International Core (DFIEX)
Diversified Emerging Markets	Passive	Vanguard Emerging Mkts Stock Idx Inv (VEMAX)
Short Term Bond	Active Passive	DFA Short-Term Government (DFFGX) Vanguard Short-Term Investment-Grade Inv (VFSTX)
Intermediate Term Bond	Active Passive	Dodge & Cox Income (DODIX) Vanguard Interm-Term Bond Index Adm (VBILX)
Total Bond	Passive	Vanguard Total Bond Market Index (VBTLX)
Balanced Moderate Allocation	Active Passive	Dodge & Cox Balanced (DODBX) Vanguard Balanced Index Inv (VBIAX)
Balanced Conservative Allocation	Active Passive	Berwyn Income (BERIX) Vanguard Wellesley Income Inv (VWINX)
Socially Responsible	Active Active	New Covenant Growth Fund (NCGFX)* New Covenant Income Fund (NCICX)*
Money Market		Fidelity Money Market (FRGXX)

* New Covenant Funds are Socially Responsible funds that exclude alcohol, gaming, weapons/firearms and tobacco from the portfolios. They also include a positive screen for companies doing well with ESG (environment, social and governance issues). New Covenant Funds follow the social witness policies of the Presbyterian Church USA (PCUSA) and the screened securities are based on the General Assembly of the PCUSA directives.

DONOR-ADVISED FUND APPLICATION

Please complete the following application to establish a Donor-Advised Fund (DAF) with the Episcopal Church Foundation (ECF). For complete policies and DAF information, please read the Donor-Advised Fund Program Guide. If you need assistance in completing this form, please contact us by phone at 800-697-2858 or by e-mail at giving@ecf.org.

1. Donor-Advised Fund Donor & Advisor Information

PRIMARY DONOR & ADVISOR

Title First Name Initial Last Name

Date of Birth

Social Security Number

Address: Including P.O. Box, Street Address, Suite or Apartment Number

City State Zip

Home Phone Cell Phone

Email Address (required)

JOINT DONOR & ADVISOR

Title First Name Initial Last Name

Date of Birth

Social Security Number

Address: Including P.O. Box, Street Address, Suite or Apartment Number

City State Zip

Home Phone Cell Phone

Email Address (required)

Unless instructed (by separate attachment), ECF will accept recommendations from either of the individuals named above as Primary Advisors to the DAF.

2. Donor-Advised Fund Information

What would you like to name your DAF? _____

For example: Jones Family Fund, St. Paul's Anytown, NJ Church Fund, etc. The DAF name will appear on all DAF correspondence, as well as all correspondence that accompanies grants (distributions) from the DAF. If you prefer to be anonymous, please indicate this preference when you make a grant recommendation.

I intend this to be a “long-term” DAF, which should not make distributions for more than five years. ECF staff will contact you to finalize your plans. Please also complete the below designations for the remainder value.

3. Contribution Information

The initial minimum contribution to establish a Donor-Advised Fund is \$2,500. Please refer to the Donor-Advised Fund’s Program Guide for information on the types of gifts ECF can accept.

Please check the type of contribution you will be making:

Check(s) in the amount of \$ _____
Check(s) should be made payable to **Episcopal Church Foundation**. Please include the DAF Name in the memo section on the check. Mail to: The Episcopal Church Foundation, Donor-Advised Fund Program, 475 Riverside Drive, Suite 750, New York, NY 10115.

Please contact an ECF representative at 800-697-2858:

Funds wired in the amount of \$ _____

Transfer assets from another Donor-Advised Fund _____

Credit card Gift amount \$ _____

Publicly traded securities or mutual fund shares

Name of stock or mutual fund _____

Number of shares _____

A non-liquid gift, such as real estate, artwork, etc.

A Trust Revocation Notification must be completed if the gift assets are titled to a revocable trust.

Please contact an ECF representative at 800-697-2858

Please select the percentage allocations of your choice from the investment options below.
Please ensure that your selections are in increments of 5% and total 100%

Large Equity Blend	_____% _____%	Active Passive	Oakmark I (OAKMX) Vanguard 500 Index Fund (VFIAX)
Mid Cap Equity Blend	_____% _____%	Active Passive	Fidelity Low-Priced Stock (FLPSX) Vanguard Mid Cap Index Inv (VIMAX)
Small Cap Equity	_____% _____%	Active Passive	Fidelity Advisor Small Cap I (FSCIX) Vanguard Small Cap Growth Index (VSGAX)
Foreign Large Equity Blend	_____% _____%	Active Active	Janus Henderson Int'l Opportunities I (HFOIX) Fidelity Overseas (FOSFX)
Foreign Large Equity Value	_____%	Passive	DFA International Core (DFIEX)
Diversified Emerging Markets	_____%	Passive	Vanguard Emerging Mkts Stock Idx Inv (VEMAX)
Short Term Bond	_____% _____%	Active Passive	DFA Short-Term Government (DFFGX) Vanguard Short-Term Investment-Grade Inv (VFSTX)
Intermediate Term Bond	_____% _____%	Active Passive	Dodge & Cox Income (DODIX) Vanguard Interm-Term Bond Index Adm (VBILX)
Total Bond	_____%	Passive	Vanguard Total Bond Market Index (VBTLX)
Balanced Moderate Allocation	_____% _____%	Active Passive	Dodge & Cox Balanced (DODBX) Vanguard Balanced Index Inv (VBIAX)
Balanced Conservative Allocation	_____% _____%	Active Passive	Berwyn Income (BERIX) Vanguard Wellesley Income Inv (VWINX)
Socially Responsible	_____% _____%	Active Active	New Covenant Growth Fund (NCGFX)* New Covenant Income Fund (NCICX)*
Money Market	_____%		Fidelity Money Market (FRGXX)

* New Covenant Funds are Socially Responsible funds that exclude alcohol, gaming, weapons/ firearms and tobacco from the portfolios. They also include a positive screen for companies doing well with ESG (environment, social and governance issues). New Covenant Funds follow the social witness policies of the Presbyterian Church USA (PCUSA) and the screened securities are based on the General Assembly of the PCUSA directives.

B. DISTRIBUTE TO A MINISTRY OR CHARITY

You may name as many as four charities, including ECF, to receive the remainder balance in your DAF. Please indicate percentage of distribution to each. In the event the charity no longer exists, ECF will award grants to charities similar to the original charity.

- I wish the Episcopal Church Foundation (ECF) to use any remainder balance for its own use.
- I wish the following charities to receive any remainder balance in the percentages noted.

Organization Name

Address: Including P.O. Box, Street Address, Suite or Apartment Number

City State Zip

Phone

Charity Identification Number

Please indicate percentage of distribution

Organization Name

Address: Including P.O. Box, Street Address, Suite or Apartment Number

City State Zip

Phone

Charity Identification Number

Please indicate percentage of distribution

Organization Name

Address: Including P.O. Box, Street Address, Suite or Apartment Number

City State Zip

Phone

Charity Identification Number

Please indicate percentage of distribution

Organization Name

Address: Including P.O. Box, Street Address, Suite or Apartment Number

City State Zip

Phone

Charity Identification Number

Please indicate percentage of distribution

7. Signatures

I/We hereby make the following donation with the full understanding that it represents an irrevocable donation to the Episcopal Church Foundation's Donor-Advised Fund. I also acknowledge that I have read completely the Program Guide and the terms and/or the conditions described therein. I further acknowledge that ECF has not rendered any legal or tax advisory service to me and that I should consult with my own advisors to determine the tax or other benefits and consequences of making this gift.

Primary Donor Signature (required)

Date

Joint Donor Signature (required, if gift is made by joint donors)

Date

8. Mailing Instructions

Please mail to: Episcopal Church Foundation
Donor-Advised Fund Program
475 Riverside Drive, Suite 750
New York, NY 10115

You may also scan and email to giving@ecf.org

ECF PRIVACY POLICY

ECF only collects your private information for ECF and its agents for our everyday business purposes such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus. We do not share your contact or other confidential information with any other outside entities.

ECF does reserve the right to notify all participants in its Donor-Advised Fund program of opportunities for granting to the Episcopal Church Foundation or other Episcopal Church related entities from time to time, simply to raise awareness of these opportunities for granting.

RESOURCES AVAILABLE

BROCHURES

- *Planned Giving (overview)*
- *Charitable Gift Annuity*
- *Charitable Remainder Trust*
- *Pooled Income Fund*
- *Planning for the End of Life*
- *Donor-Advised Fund (DAF)*

BOOKLETS

- *Planned Giving (overview)*
- *Charitable Gift Annuity*
- *Charitable Remainder Trust*
- *Pooled Income Fund*
- *Writing Your Will*
- *Donor-Advised Fund (DAF)*