Charitable Gift Fund

User's Guide



Thank you for your interest in Anabaptist Foundation's Charitable Gift Fund (CGF) Program. We have collected the most frequently asked questions about our Charitable Gift Fund in this *User's Guide*, and arranged them by topic. This information will help you understand how Charitable Gift Funds may and may not be used to support churches and charities.

Table of Contents

CGF Overview

Purpose of the Charitable Gift Fund Program 1

What is a Charitable Gift Fund? 1
Why do we offer a Charitable Gift Fund Program? 2
Are gifts to churches and charities sent anonymously? 3
How does a Charitable Gift Fund account simplify giving? 3
A Charitable Gift Fund account makes a once-in-a-lifetime gift easy. 4

Opening a Charitable Gift Fund account 5

Who may open a Charitable Gift Fund account? 5
How do I open a Charitable Gift Fund account? 5
Is there a minimum amount needed to open a Charitable Gift Fund account? 6
How often may I make donations to my Charitable Gift Fund account? 6
Are there different types of Charitable Gift Fund accounts available from Anabaptist Foundation? 7
How will my Charitable Gift Fund account be named? 7
How long does it take to open a Charitable Gift Fund account? 8
What does it cost to use the Charitable Gift Fund Program? 8

Donations

Assets you can contribute to your Charitable Gift Fund account 9

What types of assets can I contribute to my Charitable Gift Fund account? 9
May I give to my Charitable Gift Fund account from my business? 9
How should I address a check for my Charitable Gift Fund account? 10
At what point is a contribution considered a charitable donation? 10
Other than cash, what are the best types of assets to contribute to my Charitable Gift Fund account? 11
May I contribute from my IRA to my Charitable Gift Fund account? 11
Will I get a receipt for my contributions? 12
May I change my mind later about my contribution to a Charitable Gift Fund account? . . 13

Tax deductions 14

How much of my gift is tax deductible? 14
Should I file my contribution receipt with my taxes at the end of the year? 15

Gift Distributions

Gift Making Guidelines 16

How do I make a gift recommendation from my Charitable Gift Fund account? 16

Who may recommend gifts from my Charitable Gift Fund account? 17

If I grant a Power of Attorney to someone, how does that affect my Charitable Gift Fund account? 17

What types of gift recommendations are permitted from my Charitable Gift Fund account? 18

Are churches and charities obligated to use gifts as donors recommend? 18

May I earmark gift recommendations from my Charitable Gift Fund account to benefit individuals or family members? 19

Examples of permissible and impermissible gift recommendations 19

May I make gift recommendations to the alms or deacon fund of a church or church district? 20

May I recommend gifts from my Charitable Gift Fund account to a private school? 21

May I recommend gifts from my Charitable Gift Fund account to a bank account set up to benefit an individual? 22

May I recommend a gift from my Charitable Gift Fund account to attend a charity event? . 22

May I recommend a gift to fulfill a legally binding pledge I have made to a charitable organization? 22

May I recommend a gift to pay for my own or someone else's mission trip? 23

May I recommend a gift to pay for items I purchased at a charitable fund-raising auction? . 23

May I recommend a gift to pay for membership dues in a charitable organization? 23

May I recommend a gift to a mission that utilizes deputized fund-raising to support its missionaries? 24

Gift Making Compliance 25

Why is Anabaptist Foundation concerned about complying with IRS regulations regarding charitable donations? 25

How does the approval process work for your gift recommendations? 26

Gift Processing 27

Will my gift be anonymous or will the recipient know who made this gift? 27

How many gifts may I recommend in a year? 27

What is the minimum amount I may recommend for a gift? 27

Does Anabaptist Foundation charge a fee for each gift I recommend? 28

Can I set up recurring gift disbursements? 28

How will I know the status of and balance in my Charitable Gift Fund account? 29

Guidelines for Giving

How do I decide which charities to support? 30

CGF Overview

Purpose of the Charitable Gift Fund Program

What is a Charitable Gift Fund?

Anabaptist Foundation's Charitable Gift Fund Program is a giving tool that enables donors to support charitable causes while protecting donor privacy, receiving a tax deduction, and simplifying giving. Donors may contribute cash, securities, real estate, commodities or anything on which a fair market value can be placed. In return, donors have the privilege of recommending to Anabaptist Foundation when the gifts will be distributed and which charities will benefit. Our Charitable Gift Fund (CGF) Program operates under the IRS regulations governing "Donor-Advised Funds".

The key aspects of the program:

- Anabaptist Foundation is a 501(c)(3) nonprofit organization which provides an immediate tax deduction when a donation is made.
- Donors can give anonymously and protect their privacy.
- Anabaptist Foundation disburses funds in the CGF Program to other charities, in accordance with its guidelines below.

- Donors have the privilege of making recommendations to Anabaptist Foundation on when and where the funds are disbursed.
- The time frame for donors making recommendations on disbursements is very flexible.
- Donations of cash or a variety of assets such as real estate, farm commodities, stock or mutual fund shares are accepted.
- Capital gains taxes can be avoided on gifts of appreciated assets.
- One contribution can support a variety of different charities through disbursements from Anabaptist Foundation.
- Donors are not required to gift any percentage of the assets to Anabaptist Foundation.
- Quarterly statements help donors keep track of their giving.

Why do we offer a Charitable Gift Fund Program?

We offer the Charitable Gift Fund Program:

- To help donors give anonymously to charities and churches, in accordance with the Scriptural principle of quiet, humble giving.
- To help donors become good stewards by providing information about charitable needs and by helping them give in ways that comply with IRS requirements.
- To help conservative Anabaptist churches and charities by ensuring that donors understand their goals and needs.

Are gifts to churches and charities sent anonymously?

We strongly encourage anonymous giving. The LORD said, "*Take heed that ye do not your alms before men, to be seen of them: otherwise ye have no reward of your Father which is in heaven.*" Matthew 6:1. In response to Jesus' words, conservative Anabaptists have maintained a strong tradition of anonymous giving. The gifts issued by the Foundation to churches and charities do not disclose the identity of the donor, unless the donor specifically requests to be identified.

How does a Charitable Gift Fund account simplify giving?

For any charitable contribution over $250, the IRS requires donors to obtain and retain a receipt containing specific language. With a Charitable Gift Fund, there's no need for donors to handle individual receipts from charities. Instead, donors receive one receipt from Anabaptist Foundation that covers their entire contribution. Donors can support a variety of charities by writing one check to the Foundation. By using our Recurring Grant Option, donors can set up automatic monthly or quarterly gift recommendations for their favorite charities, freeing them from writing frequent checks.

A Charitable Gift Fund account makes a once-in-a-lifetime gift easy.

Donors may experience infrequent or once-in-a-lifetime financial windfalls. Inheritances or the sale of a farm or business provide unique opportunities to make special gifts. By using the Charitable Gift Fund, donors receive an immediate tax deduction for the contribution, the ability to recommend multiple anonymous gifts from one lump sum contribution and the opportunity to recommend disbursements all at one time or over a longer period of time.

Opening a Charitable Gift Fund account

Who may open a Charitable Gift Fund account?

Members or entities of conservative Anabaptist churches (families, companies and trusts) within our AF constituency may open a Charitable Gift Fund account. This includes Amish, conservative Mennonite, and related Anabaptist churches that adhere to the Mennonite Confession of Faith of 1963, or earlier confessions such the Dordrecht Confession of Faith of 1632 or the Schleitheim Confession of Faith of 1527.

How do I open a Charitable Gift Fund account?

1. Complete a **Charitable Gift Fund Application and Memorandum of Understanding**. Applications may be requested from our office, or via our website at www.afweb.org. By signing the application, you acknowledge that all gifts made to Anabaptist Foundation are irrevocable and that no portion of your gift will be returned to you as a private benefit, nor may be designated as a benefit to any specific individual, and that you agree to abide by the uses and limitations of your Charitable Gift Fund account, as outlined in this User's Guide.

2. Mail, fax or email the completed application to:

   Anabaptist Foundation
   55 Whisper Creek Drive, PO Box 2000, Lewisburg, PA 17837

   Fax: (866) 230-6253, Email: giftfund@afweb.org
   (If emailing, do not include Social Security numbers.)

3. You may enclose your initial check, **payable to Anabaptist Foundation**. (Do not make your check payable to Anabaptist Financial because Anabaptist Financial is a separate legal entity.) Write "Charitable Gift Fund" on the memo line of your check. You may also open an account but wait until later to submit your first contribution.

4. If you would like to make an electronic funds transfer (EFT), please call (800) 653-9817.

Is there a minimum amount needed to open a Charitable Gift Fund account?

The recommended minimum amount to open an account is $3,000.

How often may I make donations to my Charitable Gift Fund account?

Once a donor's account is established, subsequent contributions of $1,000 or more may be made at any time.

Are there different types of Charitable Gift Fund accounts available from Anabaptist Foundation?

We offer different types of Charitable Gift Fund accounts based on how donors plan to make gift recommendations to distribute their funds.

- Regular Gift Fund Accounts are for donors who wish to have funds available for distribution at any time.
- If donors wish to accumulate charitable funds and do not plan to recommend distributions for at least a year, a Long-Term Gift Fund Account is available. Since these funds are available to be managed over time, we place them into our interest-bearing pool, which results in additional funds being generated for distribution to charity. Any interest earnings in a donor's Charitable Gift Fund account are not eligible for additional tax deductions. Distributions are not permitted from Long-Term Gift Fund Accounts.

How will my Charitable Gift Fund account be named?

We identify our Gift Fund accounts by names and account numbers. A donor's personal name or business name is often used to identify an account, but donors can request a custom name for their account on the application. The name of the account is only for record keeping purposes. Our gift disbursement checks to churches and charities do not identify the name of the account, unless specifically requested by the donor.

How long does it take to open a Charitable Gift Fund account?

A Charitable Gift Fund account is considered open and ready to accept contributions after the donor submits a completed application and that application is approved by the Charitable Gift Fund manager. This can often occur within one day, if the application is emailed or faxed to us.

What does it cost to use the Charitable Gift Fund Program?

Anabaptist Foundation does not withhold administrative fees for cash contributions or assess ongoing maintenance fees. The entire balance of your cash contribution is available to be disbursed to your church or charities. With gifts of non-cash assets (such as real estate or stock) there is a 1% fee to cover our costs to liquidate the assets. Donors are not required to advise any gifts to the Foundation itself. Voluntary gifts to support AF's operating costs and charity work are appreciated.

Donations

Assets you can contribute to your Charitable Gift Fund account

What types of assets can I contribute to my Charitable Gift Fund account?

Donors may contribute cash, publicly traded securities (including stocks, bonds, and mutual fund shares), privately held stocks, real estate, farm commodities (including crops and livestock), or any other tangible, personal property on which a fair market value can be placed. Anabaptist Foundation encourages donors to consult with their tax advisers or attorneys before making charitable contributions. We liquidate non-cash contributions as soon as possible and notify donors when the proceeds are available for distribution to charity.

May I give to my Charitable Gift Fund account from my business?

Yes, donors may contribute to a Gift Fund account from either their personal assets or their business assets. Our receipt is issued to whatever name is listed on the check. Business owners may make

periodic gifts into their Charitable Gift Fund accounts and receive tax deductions for their business gifts. Partners in a business can have their shares of the contribution placed in separate accounts so each can make personal gift recommendations.

How should I address a check for my Charitable Gift Fund account?

To make a cash contribution, make your check payable to **Anabaptist Foundation**. Write "Charitable Gift Fund" on the memo line of your check. Please do not make your check payable to Anabaptist Financial, which is a different legal entity. Misaddressed checks will be returned.

At what point is a contribution considered a charitable donation?

A contribution becomes a donation when the asset is "out of the donor's control." This is determined by the type of asset contributed, and when and how it is transferred to the donor's Anabaptist Foundation Charitable Gift Fund account. If a donor wishes to make a contribution close to the end of a year, donors must mail their contributions by December 31. We are required by IRS regulations to receipt year-end gifts based on the **envelope's postmark**, not the date written on the check. Office postage meters do not qualify as postmarks. If you wish to be certain your contribution is postmarked correctly, take your contribution into the post office counter and ask them to hand-stamp it in your presence.

Other than cash, what are the best types of assets to contribute to my Charitable Gift Fund account?

The most cost-effective non-cash contributions are appreciated assets (real estate or stocks) which have been owned for more than one year. Donors can avoid all capital gains taxes and deduct the fair market value of contributed appreciated assets from their federal income taxes, up to 30% of adjusted gross income annually. Unused portions of tax deductions may be carried forward for later use, up to five years. Even gifts of partial ownership can help avoid capital gains tax on any portion given to charity.

May I contribute from my IRA to my Charitable Gift Fund account?

IRS regulations do not permit direct contribution from an IRA to the Charitable Gift Fund during the donor's lifetime. Through a will or trust, a donor may be able to name their Charitable Gift Fund account as the charitable beneficiary of all or part of a traditional IRA. Please keep in mind that while a direct IRA distribution cannot be excluded from your taxable income if made to the Charitable Gift Fund, you can indeed draw from your IRA funds and make a gift to your Charitable Gift Fund account. However, the IRA distribution would be included in your taxable income, and the resulting charitable gift from your IRA to your donor-advised fund account is eligible for the charitable tax deduction. If a donor is age 73 or older and must take a Required Minimum Distribution (RMD) from their IRA each year, the donor may gift the RMD to other Anabaptist Foundation funds. For example,

the Anabaptist Foundation Charity Hardship Fund provides general assistance in cases of need beyond the local church's capacity, or the Anabaptist Foundation Stewardship Education Fund, which sponsors stewardship seminars and literature throughout our communities. If a donor has retirement assets in a 401(k) or 403(b) plan, the donor must first roll those assets into an IRA and then make the transfer from the IRA directly to Anabaptist Foundation.

Before making any IRA distribution, please consult your tax advisor concerning how the distribution will affect you based upon your unique set of facts and circumstances.

Will I get a receipt for my contributions?

Anabaptist Foundation provides donors with a written confirmation of all contributions. This confirmation serves as a tax receipt or substantiation. Charitable Gift Fund accounts are donor-advised funds, and donors can immediately deduct the full amount of their contributions, even if the funds are not disbursed to other charities during the year of the contribution. Donors may deduct up to 60% of their Adjusted Gross Income (AGI) for cash contributions, and up to 30% of AGI for gifts of appreciated assets. Deductions which donors are unable to use in the first year may be carried forward and used later, up to five years. If a donor chooses to identify himself or herself as the donor of a gift to a particular charity, the donor might receive an acknowledgment from that charity, but that acknowledgment cannot be used as a deduction for tax purposes. The donor's tax contribution receipt would have already been issued by Anabaptist Foundation at the time of the donor's contribution to his or her Charitable Gift Fund account. If a contribution receipt is mislaid, please contact Anabaptist Foundation to discuss a duplicate.

May I change my mind later about my contribution to a Charitable Gift Fund account?

No. A donor's gift represents an irrevocable contribution to Anabaptist Foundation, a 501(c)(3) public charity, and is not refundable. Assets contributed to the Charitable Gift Fund become the property of Anabaptist Foundation, and donors retain no legal control over their gifts. Instead, donors are entitled to recommend gifts or give non-binding advice to us about preferred distributions to churches and charities.

Tax deductions

How much of my gift is tax deductible?

The answer depends on the type of donation.

- Cash donations: A donor's charitable deduction is the amount of his or her cash contribution, up to a maximum deduction of 60% of adjusted gross income (AGI) per year.
- Publicly-traded securities (stocks, bonds, or mutual fund shares): A donor's charitable deduction is the fair market value of the securities, determined by the average selling price on the date of contribution.
- Private securities (such as shares of a privately owned company): If held for more than one year, the charitable deduction is based on the fair market value reasonably determined by the donor on the date of contribution. The IRS may also require a qualified independent appraisal.
- Real estate: The charitable deduction is the fair market value of that real estate, determined by a qualified independent appraisal, as required by IRS regulations.

NOTE: For gifts of appreciated assets which donors have owned for at least one year, donors may deduct up to 30% of their Adjusted Gross Income (AGI) in any one year. Deductions which cannot be used in the first year may be carried forward and used later, up to five years.

Since Anabaptist Foundation is an IRS-approved charity, no capital gains taxes apply to our sale of donated, appreciated assets. This maximizes the dollars going to charity. Please consult your tax adviser and legal counsel regarding tax deductibility in your situation.

Should I file my contribution receipt with my taxes at the end of the year?

For cash gifts, donors generally do not need to include contribution receipts with tax filings, although they should retain receipts for audit purposes. For non-cash donations (such as gifts of real estate or stock), the IRS requires Form 8283 to be filed with the donor's tax statements at the end of the year. Non-cash donors should consult with their tax advisor to ensure Form 8283 is completed correctly. It is extremely important to review the information on Form 8283, since it is the donor's responsibility to submit correct information to the IRS. A blank copy of Form 8283 can be obtained from Anabaptist Foundation upon request.

Gift Distributions

Gift Making Guidelines

How do I make a gift recommendation from my Charitable Gift Fund account?

When a donor opens an account, a caseworker will be assigned to serve as the donor's primary point of contact with Anabaptist Foundation. When a donor wishes to recommend where funds should be distributed, they should contact their assigned caseworker. Donors may write, email, fax or call us. Be prepared to provide:

- The name of the church or charity, along with contact information (phone number or mailing address)
- The gift amount that you wish to recommend
- A specific instruction if you choose an exception to sending your gift anonymously
- Whether your gift is to be used "where most needed" or recommended for a particular use, remembering that it cannot be earmarked to benefit a specific individual

If you do not know the mailing address or contact information for a particular church or charity, we can assist in locating that information.

Gift recommendations may also be submitted via an online portal for those who choose to use that service.

Who may recommend gifts from my Charitable Gift Fund account?

As the donor(s), you (and your spouse) are the advisers for your CGF account, though you may share permission to recommend gifts with someone else, such as your children or other designated individuals or entities. Anabaptist Foundation considers distribution recommendations only from those you have designated in writing to have donor-adviser privileges on your account. If you allow your children or others to make gift recommendations from your account, you must appoint one individual as your authorized spokesperson. In your *Charitable Gift Fund Agreement and Memorandum of Understanding*, you may designate how you want Anabaptist Foundation to distribute your final funds, or you may designate someone else to continue making gift recommendations for you for up to five years after your death.

If I grant a Power of Attorney to someone, how does that affect my Charitable Gift Fund account?

Charitable Gift Funds are legally owned by the Foundation and are not part of your estate, so the Foundation is not obligated to follow any directions from a Power of Attorney (POA). The Charitable Gift Fund agreement for your account gives you an opportunity to name someone to succeed you as donor-advisor. If you become incapacitated or die, the Foundation will follow the instructions you provided in your Charitable Gift Fund agreement to disburse any remaining funds in your Charitable Gift Fund account.

What types of gift recommendations are permitted from my Charitable Gift Fund account?

Donors may recommend which churches or charities benefit from their gift. They can support churches, schools, missions or relief organizations, or even local volunteer fire departments or community organizations. However, all recommended recipients must be tax-exempt organizations under Internal Revenue Code (IRC) Section 501(c)(3) or public charities under IRS Section 509(a). Churches are automatically tax-exempt.

Are churches and charities obligated to use gifts as donors recommend?

When Anabaptist Foundation disburses CGF funds to other churches and charities, those churches and charities are not obligated to honor recommended uses, although most do. In the cover letters that Anabaptist Foundation sends with gifts to charities, we ask the charities to consider the recommended use, but we also state that gifts from the Charitable Gift Fund Program are unrestricted gifts with "no-strings-attached," so churches are free to redirect gifts to the areas of greatest need, as they determine to be necessary.

May I earmark gift recommendations from my Charitable Gift Fund account to benefit individuals or family members?

No. Gifts may not be made to individuals, nor to a church or charity if the gift is *earmarked* for the benefit of a specific person. Gifts that are intended to benefit a specific person cannot be tax-deductible and are not permitted to be made from a donor-advised fund, according to IRS regulations. Gifts to a church or charity must be for its general purposes (i.e. alms fund, building fund, mission fund, etc.) and cannot be designated to directly benefit a specific person or family member. Further, a donor cannot recommend a gift that provides more than an incidental benefit to himself or herself, or their spouse, parents, siblings, children or grandchildren.

Examples of permissible and impermissible gift recommendations

Examples of gift recommendations which are permitted include:

- "I recommend a gift of $1,000.00 to the Sunnyview Church building fund."
- "I recommend a gift of $1,000.00 to the Sunny Valley Amish Church District alms fund."
- "I recommend a gift of $1,000.00 to XYZ Mission for its orphanage in Africa."

- "I recommend a gift of $1,000.00 to Harmony School for its scholarship fund."

Examples of gift recommendations that are NOT permitted include:

- "I recommend a gift of $1,000.00 to Sunnyview Church for the Susan Martin Fund."
- "I recommend a gift of $1,000.00 to the Sunny Valley Amish Church District to help the Sam Miller family with medical expenses."
- "I recommend a gift of $1,000.00 to XYZ Mission as a gift for missionary Susan Martin."
- "I recommend a gift of $1,000.00 to Harmony School to pay tuition for the children of Sam Miller."
- "I recommend a gift of $1,000.00 to Sunnyview Church to help Dan and Sara Yoder with their adoption expenses."

These examples demonstrate that you can recommend gifts for the general purposes of a church or charity, but that you cannot recommend gifts that are earmarked for the benefit of individuals.

May I make gift recommendations to the alms or deacon fund of a church or church district?

Certainly, as long as it is an unrestricted gift for the general charitable and religious purposes of the church. Use of the Charitable Gift Fund Program is a good way to anonymously support the work of the local church. Donors will need to supply the name and contact information

for the local deacon or church treasurer. We contact church deacons to explain to them that all gifts to alms or deacon funds are given without restriction, that the church has the right to use the funds where most needed, and that no gifts to the alms or deacon fund may be earmarked to the benefit of an individual or family. If a gift is recommended for a Communion offering, donors need to give us at least two weeks' advance notice to be certain the gift check can be mailed in time.

May I recommend gifts from my Charitable Gift Fund account to a private school?

Yes, under limited conditions. In principle, donors may not make gifts that represent value received as a personal benefit. Examples of impermissible gifts include a gift designated to pay tuition, an amount paid instead of tuition, or any fixed amount that must be paid in addition to tuition. This applies to a donor's children or any other children for whom a gift is specifically earmarked. A gift may be made to the school for its general operating expenses, building fund or special projects. Gifts may also be made to a school's scholarship fund, if that scholarship fund uses objective guidelines, based on need, to determine who benefits from the funds. You should consult with your tax advisor or legal counsel before taking a tax deduction for a gift to a school.

May I recommend gifts from my Charitable Gift Fund account to a bank account set up to benefit an individual?

No. Donors may not recommend gifts from their Charitable Gift Fund accounts to a bank account that has been set up for the benefit of someone in need, even if the account was established by a church. Such accounts directly benefit an individual, so we cannot disburse gifts to them, per IRS regulations.

May I recommend a gift from my Charitable Gift Fund account to attend a charity event?

No. Donors may not use a Charitable Gift Fund account to make gifts for table sponsorships, event tickets, or similar purposes. When donors make their initial contributions to a donor-advised fund, their contributions are 100% tax deductible, meaning they may not receive any goods or services in exchange for their contributions.

May I recommend a gift to fulfill a legally binding pledge I have made to a charitable organization?

No. IRS regulations do not allow donors to use their Charitable Gift Fund account to satisfy legally-binding pledges. Consult your caseworker to determine if a pledge is legally binding.

May I recommend a gift to pay for my own or someone else's mission trip?

No. Donors may make gifts to churches for their mission funds in general, but they may not earmark such gifts to pay trip expenses for specific individuals.

May I recommend a gift to pay for items I purchased at a charitable fund-raising auction?

No. If a donor's Charitable Gift Fund account pays for goods purchased, even at a charitable auction, they will be receiving something in return for their contribution, which is disallowed by IRS regulations.

May I recommend a gift to pay for membership dues in a charitable organization?

No. If a donor's Charitable Gift Fund account pays membership dues, even at a charitable organization, they will be receiving something in return for their contribution, which is disallowed by IRS regulations.

May I recommend a gift to a mission that utilizes deputized fund-raising to support its missionaries?

Deputized fund-raising occurs when an employer mission organization requires its missionaries or staff to raise funds for their own support, and those funds are paid to the employer mission organization. Donors may recommend gifts from their Charitable Gift Funds to these employer mission organizations as long as the funds remain under the control of the charity and are not intended to benefit a specific missionary or staff person. The Evangelical Council for Financial Accountability (ECFA) states: "Contributions are solicited with the understanding that the donee organization has complete discretion and control over the use of all donated funds. Discretion and control can be demonstrated by such factors as control by the governing body of donated funds through a budgetary process, and staff salaries must be set by reference to considerations other than an amount of money a deputized fundraiser collects. There can be no commitments that contributions will be paid as salary or expenses to a particular person. To the extent required by the Internal Revenue Code, amounts paid as salary must be reported as compensation on Form W-2 or Form 1099-MISC."[1] An example of an unacceptable recommendation is writing a check to a charity, with a name of specific missionary staff person or family member in the memo line of the check. Earmarking charitable funds for a direct personal benefit is disallowed by IRS regulations.

1 *Deputized Fund-raising – The Basics*, by Dan Busby, Former President of the Evangelical Council for Financial Accountability (ECFA).

Gift Making Compliance

Why is Anabaptist Foundation concerned about complying with IRS regulations regarding charitable donations?

Christians are commanded to honor and obey our governments. We have an obligation to operate the Charitable Gift Fund Program within IRS regulations governing donor-advised funds. We also wish to educate and protect you as a donor. The IRS has specific financial penalties for donors who recommend a gift knowing that it will provide an impermissible benefit to the donor or the donor's family, and also penalizes the fund manager who knowingly approves an improper gift. Anabaptist Foundation is responsible to carefully evaluate gift recommendations from donors to ensure that they qualify under the IRS guidelines. We do this both for our own accountability to the IRS and for your protection. If we would issue an impermissible gift based on your recommendation, the IRS may revoke the tax-deductibility of your contribution and assess a penalty of 20% of the value of that impermissible gift on the Foundation itself and a penalty of 125% of the value of the impermissible gift on you personally as the donor who made an improper recommendation. Nonprofit organizations like Anabaptist Foundation can also lose tax-exempt status if they do not follow IRS regulations.

How does the approval process work for your gift recommendations?

1. You, as the donor-advisor, send a gift recommendation to your caseworker, providing all requested information.
2. Your Charitable Gift Fund caseworker confirms the charitable status of the church or 501(c)(3) charity, secures any needed information for our records, and processes the gift distribution for approval.
3. Once the Gift Fund Manager approves the distribution, payment is sent via check in the mail or directly deposited to the church or charity's account.

Typically, distributions are processed, approved, and issued within three days of receiving the gift recommendation although it may take longer if we have difficulty confirming a charity's 501(c)(3) status or getting required information for our records, such as contact information or an EIN number for a church.

Gift Processing

Will my gift be anonymous or will the recipient know who made this gift?

As stated above, all gifts distributed by Anabaptist Foundation are issued as anonymous donations, unless the donor specifically requests otherwise.

How many gifts may I recommend in a year?

There is no limit to the number of gifts donors can recommend in a year.

What is the minimum amount I may recommend for a gift?

The minimum gift recommendation donors may make from their Charitable Gift Fund accounts is $250.

Does Anabaptist Foundation charge a fee for each gift I recommend?

No. Anabaptist Foundation does not withhold administrative fees for cash contributions or assess ongoing maintenance fees. (See What does it cost to use the *Charitable Gift Fund Program?* on page 8.)

Can I set up recurring gift disbursements?

Yes. Our Charitable Gift Fund management software permits recurring gift disbursements to a variety of ministries. Donors provide lists of gift recommendations, and if approved, Anabaptist Foundation sets up a recurring gift payment that generates in the amount and intervals (monthly, quarterly, or annually) specified. In this way, donors can provide ongoing support for charities without having to write more than one check or take time to mail in gifts on a regular basis. Your caseworker is responsible to set up recurring disbursements and notify you when a recurring disbursement is nearing termination, or if the account balance becomes insufficient.

How will I know the status of and balance in my Charitable Gift Fund account?

As long as you maintain a balance in your account, you will receive quarterly reports from Anabaptist Foundation showing all activity in your account. You may contact your caseworker anytime for your current account balance. You may also access and manage your account via our online portal.

Guidelines for Giving

How do I decide which charities to support?

Your gift recommendations must meet IRS regulations and our Guidelines for Giving in order to be approved by our Charitable Gift Fund Manager for distribution. Charities must give reasonable evidence of compliance with the following guidelines before we consider approval of your gift recommendations:

1. The organization's programs appear consistent with a clear statement of purpose. This means that the programs of the organizations are related to its publicly advertised mission statement and fund-raising.
2. The organization's purposes and programs must be consistent with the values, beliefs and Biblical principles generally held by conservative Anabaptists. You may recommend gifts to non-Anabaptist organizations that do not actively violate conservative Anabaptist beliefs and values, which may or may not be approved at the sole discretion of Anabaptist Foundation.
3. The organization has a board which is an active and responsible governing body, which holds regular meetings and whose members have no material conflicts of interest.
4. The organization discloses, upon request, a determination letter from the Internal Revenue Service which verifies its tax-exempt status. (Churches are exempt from this requirement.)

5. The finances of the organization are independently audited at least once a year according to generally accepted accounting practices, and the organization fulfills its requirement to file an annual Form 990 with the IRS. (Churches are exempt from this requirement.)
6. The organization makes available, upon request, an annual report which contains detailed information on program activities and finances.
7. The organization responds promptly to reasonable questions asked by prospective donors.
8. General administrative and fund-raising expenses of the organization do not exceed 30% of contributions. In other words, at least $0.70 of each contributed dollar goes into programs that carry out the stated charitable purposes of the organization.
9. Promotion of the organization is ethical without exaggerated claims, misleading statements or deceptive photographs.
10. While Anabaptist Foundation encourages donors to consider contributions to church organizations, these guidelines are not intended to exclude non-church organizations. Local fire departments or other community-based nonprofit organizations are also worthy of support.
11. Anabaptist Foundation will consider receiving contributions for charitable purposes that are not represented by any nonprofit organization, yet are within the charitable purposes of Anabaptist Foundation.

We hope this information about *How Do I Decide Which Charities To Support?* is helpful. Please contact us if you have a question about recommending a gift, or if we can help you research a giving opportunity so you can remain anonymous.



Thank you for choosing to use Anabaptist Foundation's Charitable Gift Fund program to support the work of God's Kingdom through churches and charities. Please contact us with your questions that are not covered in this User's Guide.

These materials have been prepared for general informational purposes. They are not accounting advice nor legal opinions on any specific matters. Consult your tax adviser and legal counsel regarding your situation. Anabaptist Foundation does not provide legal services or document preparation. We work closely with your professional counselors to facilitate your charitable giving.



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