



Greater Tacoma Community Foundation Fund Activity Policy

For Greater Tacoma Community Foundation (GTCF) to fulfill its mandate to distribute charitable dollars into the community, GTCF regularly monitors fund activity.

Examples of activities that would deem a fund active include:

- Making Regular Grant Recommendations. Donor advisor generally recommends grants at least annually to qualified charitable organizations. The amount of grantmaking can vary from year to year.
- Developing a Philanthropic Plan. Donor advisor makes a substantial contribution to a Donor-Advised fund, for example, upon the sale of his or her business. They might refrain from recommending grants for a given initial period while the fund advisor consults with GTCF and/or does his or her own research to determine what types of grants will best meet community needs and/or the advisor's philanthropic goals.
- Developing a Long-term Giving Plan. Donor advisor deliberately reduces the frequency or size of grant recommendations from fund, for example:
 1. During his or her working years, with the intention of increasing the Donor-Advised fund balance to support grantmaking during his or her retirement, when the advisor expects his or her income to change.
 2. During their lifetime, building the fund over time so the donor's children can make grants later (the idea being the donor is leaving a charitable legacy for the next generation to administer).
- Having a Starter Fund: Donor-Advised funds may need time to build the fund balance to make substantial grants to the community. Therefore, there may be no distributions made until the fund balance reaches an amount stated in the donor advised fund file.
- Making Specific Occasion Grants. Donor advisor refrains from recommending grants for a number of years with the charitable goal of recommending a grant upon a specific occasion.

Examples may include:

1. Donor is incapacitated with no successor advisor(s) named so the community

foundation waits until the donor's death to distribute the fund according to the donor's original intent;

2. Founders of fund, who are also the donor advisors, are getting divorced so grants are suspended until both the husband and wife agree on grants, which may include splitting the fund into two separate funds, one for each spouse to advise or eventually dissolving the fund by the making of charitable grants;

3. Grants are suspended during litigation involving a fund (e.g., the donor has left his/her estate to a fund, but the donor's children are disputing the bequest so the community foundation does not allow grants until the litigation is resolved);

4. Donor leaves a bequest to a fund and distributions are made periodically to the fund during the estate settlement process, but grants are not made until the estate is fully settled.

Should grant activity stop for more than a two-year period, steps will be taken by the staff to activate that fund.

These steps include:

- Notifying the fund advisor regularly and periodically (for example, three times over a period of one year) to encourage the fund advisor to activate the fund.
- If the advisor has not been responsive and the fund is not active within a three-year period, GTCF will have the option to allocate a percentage of the funds to unrestricted use.

Approved by GTCF Leadership Team 10.17.2017