
Creative Gift Fund

Program Guide

Creative Gift Fund Program Guide

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You will be enriched in every way for your great generosity, which will produce thanksgiving to God.

2 Corinthians 9:11

Welcome

The Presbyterian Foundation would like to thank you for your interest and generosity in establishing a *Creative Gift Fund*. This Program Guide describes and explains the guidelines and policies established by the Foundation for the *Creative Gift Fund*, our donor advised fund program.

The *Creative Gift Fund* is subject to the Articles of Incorporation of the Presbyterian Foundation as well as the Administrative Plan. The Foundation reserves the right to modify its Articles of Incorporation, the terms of the Administrative Plan, or the Program Guide at any time. The sole owner of the *Creative Gift Fund* is the Foundation, and its Board of Trustees has ultimate control over all investments and grants of the Fund.

About the Foundation

Since 1799, the Foundation has been called upon to be a steward of the gifts that have been given to do God's work through the Presbyterian Church (USA). This history is not a testament to the longevity of the Foundation; rather, it is a witness to the generosity and foresight of Presbyterians everywhere.

The Presbyterian Foundation shares your values, and we have been putting those values to work for over two hundred years, enabling Presbyterians to express their faith through their generosity. Throughout its history, the Foundation has encouraged giving for the benefit of others in the example of our Lord and in responsible stewardship of all God's gifts.

The Presbyterian Foundation is a Pennsylvania non-profit corporation and is recognized by the Internal Revenue Service as a tax-exempt public charity as defined in Sections 501(c)(3), 509(a)(1) and 170(b)(1)(A)(vi) of the Internal Revenue Code and is eligible to receive tax-deductible charitable contributions under IRC Section 170(c). Contributions to the Presbyterian Foundation are irrevocable and nonrefundable and to the extent allowed by applicable federal and state law, are immediately deductible by the donor as a charitable contribution.

Opening your Creative Gift Fund

To establish your *Creative Gift Fund* (“Fund”), complete an application and submit with your irrevocable gift to the Presbyterian Foundation. A Fund can be established by individuals, corporations and other business entities, trusts and estates. If a Fund is established by a trust or estate, an individual must be named as the Primary Advisor.

The application can be found online at www.PresbyterianFoundation.org to download. Mail or fax the completed application to the address listed on the form. We welcome gifts of \$2,500 or more to establish a Fund.

To view your account online, include your email address in the “Donor & Advisor Information” section of your *Creative Gift Fund* application or you may register for online access by completing the form at [www.PresbyterianFoundation.org/Account Access](http://www.PresbyterianFoundation.org/AccountAccess).

Key consideration: Tax laws require that a donor’s charitable gifts be irrevocable and unconditional in order to receive the associated tax benefits of a charitable deduction. The Presbyterian Foundation will allow the Primary Advisor to recommend (advise), but not control, how assets in a *Creative Gift Fund* are invested and distributed, with all such recommendations being subject to the approval of the Presbyterian Foundation. The Presbyterian Foundation at its sole discretion may approve grants to qualified organizations.

Advisors to your Fund

Once the Fund is established, the donor will be considered the Primary Advisor and will receive all correspondence related to the Fund activities. If you establish a Fund jointly with your spouse or another individual, you will both be Primary Advisors. The Primary Advisor(s) have complete account privileges: making additional contributions to the Fund, recommending grants and investment allocation, naming Grant Advisors, and establishing a succession plan.

The Primary Advisor(s) may name other individuals (up to two persons) to be Grant Advisors, for example if you would like another family member to be involved. Grant Advisors can make grant recommendations and are eligible for online account access.

Your Financial Advisor may also be permitted access to your account. Giving this permission provides the Financial Advisor with the ability to make investment allocation recommendations and view quarterly statements online. Instructions to add Financial Advisors are located on the application.

Naming your Fund

The Primary Advisor(s) provides the name of the Fund such as the “John Smith Family Fund.” The Fund name and the Primary Advisor will appear on all Fund correspondence. When grants are made from the Fund, you may select your preference on how the grant will be acknowledged to the charity. Your preference can vary for each grant recommendation.

Succession Plan

You may wish to provide the Foundation with a “succession plan” for your *Creative Gift Fund* in the event of your death or incapacity. There are two options for the remaining assets in the Fund:

- a.) you can name successor(s) to the Fund to succeed you as the Primary Advisor on the Fund when your capacity ends, or
- b.) you can elect to distribute the balance of your Fund to as many as five different ministries or charities.

This information can be changed by any Primary Advisor at any time. Such election(s) and recommendation(s) cannot be made through any testamentary instrument, including wills or instructions to an executor, and Primary Advisors may not name their estate as a successor. If no option is chosen, your Fund will be distributed to the Presbyterian Church (U.S.A.) for its use.

The Foundation recommends that Primary Advisors review the successor information provided to the Foundation once a year. This review will ensure that the information remains consistent with your wishes and verify that the successor contact information is current.

Assets to establish a Fund

You may open your *Creative Gift Fund* with a check, credit card, wire transfer, marketable securities or non-traditional assets. The minimum to open an account is \$2,500.

- Checks should be made payable to the Presbyterian Foundation and mailed to:
200 East Twelfth Street
Jeffersonville, IN 47130
- For credit and debit cards, please call 800-858-6127, ext. 5919

- For publicly traded securities, please visit www.PresbyterianFoundation.org for security transfer instructions or contact the Foundation at 800-858-6127, extension 5919.
- For other non-traditional assets, such as real estate, artwork, and business interests, please contact the Foundation at 800-858-6127, ext 5918 to discuss.
- Gifts may also be given by the Fund being named as a beneficiary in a will or other testamentary instrument or as a beneficiary to other non-probate property, including but not limited to: an Individual Retirement Account (IRA); charitable remainder trust; life insurance policy.

All gifts will be reviewed by the Foundation prior to acceptance. Once the gift is accepted and received by the Foundation, a written receipt will be sent to the donor(s) making the gift.

Additions to your Fund are accepted at any time from you or others and can be mailed to the Presbyterian Foundation. There is no minimum for additional contributions. Additions to your *Creative Gift Fund* can be made using any of the assets listed above.

Investment of Fund Assets

Investment Allocation

The Primary Advisor(s) of each *Creative Gift Fund* may recommend that the assets of the Fund be invested in one of the Presbyterian Foundation's investment portfolios, each of which is professionally managed. All investments of the Presbyterian Foundation have been approved by the Investment Committee of the Presbyterian Foundation.

The investment of the Fund will be at the complete discretion of the Presbyterian Foundation and may be commingled with the Foundation's other assets. Changes in market value may cause the value of the investments to be worth more or less than the value of the original gift.

At the time the Fund is established, the Primary Advisor will determine the percentage for each investment portfolio. This selection is for the initial gift. After the Fund is established, the Primary Advisor (or Financial Advisor, if named) may make a recommendation to change the investment portfolio at any time by submitting such request in writing or online to the Presbyterian Foundation. Only one change recommendation may be made per month.

How Creative Gift Funds are Invested

There are three different portfolios for investment of the *Creative Gift Fund* assets. Primary Advisor(s) (or Financial Advisor, if named) may recommend the *Creative Gift Fund* be allocated among one, or a combination of the portfolios available. All investment recommendations will be reviewed and approved by the Foundation. An investment allocation recommendation should be made at the time of the initial gift and with all additions made to the Fund. If no investment recommendation is made, the assets will be invested in the Money Portfolio.

After the investment recommendation is approved and contributions are in a liquid or transferable form, they will be moved to the recommended investment portfolio. This should occur within 10 business days after a contribution is received by the Presbyterian Foundation.

Investment Portfolios

Assets in a *Creative Gift Fund* may be invested in one or more of the portfolios listed below. The Fund will be invested in the Money Portfolio if an investment recommendation is not made. When making an investment recommendation, you should keep in mind distribution objectives and time horizon, i.e. to fund immediate distributions, the Money Portfolio; to fund distributions in the distant future, the Equity Portfolio; etc. (see portfolio notes).

Money Portfolio – seeks to preserve the nominal or par value of assets and to earn income commensurate with money market rates.

This portfolio is recommended for *Creative Gift Funds* that will be distributed immediately or within the next two years.

Income Portfolio – seeks current income that is commensurate with a quality bond portfolio while pursuing investments that are consistent with social-witness principles approved by the General Assembly of the Presbyterian Church (U.S.A.).

This portfolio is recommended for conservative *Creative Gift Funds* seeking income appreciation with a distribution horizon of three or more years.

Equity Portfolio – seeks returns that are commensurate with a diversified portfolio of stocks issued by domestic and international companies while pursuing investments that are consistent with social-witness principles approved by the General Assembly of the Presbyterian Church (U.S.A.).

As an equity vehicle, the Equity Portfolio carries more potential for capital appreciation and likewise has potential for greater value fluctuation; therefore, it is recommended for *Creative Gift Funds* with a distribution horizon of seven or more years.

The Portfolios do not invest in those companies involved in the military and tobacco industries that are prohibited for investment in accordance with the policies that are set by the General Assembly of the Presbyterian Church (U.S.A.) as brought forth by the Mission Responsibility Through Investment Committee Guidelines. The Portfolios also do not invest in certain other companies that have derived 25% or more of the company's revenues from alcohol, gambling and tobacco, and do not invest in certain companies in the weapons industry.

Investment Valuation

Invested balances are priced daily. Dividends and capital gains are reinvested.

Grant Recommendations

Primary Advisor(s) may make grant recommendations at any time. The Grant Recommendations form may be downloaded from the Foundation's website and mailed or faxed to the Foundation. The recommendation shall be advisory only and shall be in no way binding upon the Foundation.

Grant Acknowledgement

The Foundation will not release the Primary Advisor(s) name and information to any qualified charitable organization without the Primary Advisor(s) consent. When making a grant recommendation, a Primary Advisor may choose for the approved grant to be recognized as follows:

- Recognize Primary Advisor(s) name and Fund Name
- Recognize Fund name only
- Remain anonymous

Additionally, you may have the acknowledgement be *In honor of*, *In Memory of*, *In the name of* or *In Gratitude* to someone you wish to name.

If you wish, you may also elect to include your address to the charity so they may have the opportunity to acknowledge your generosity.

Process for Approving Grants

Upon receipt of a recommendation, the Presbyterian Foundation will complete a due diligence review process. The staff of the Foundation is a group of officers and employees of the Presbyterian Foundation who have been appointed to perform or supervise the due diligence review of each recommended grant and distribution. An alternative grant recommendation may be provided by the Primary Advisor if the original grant recommendation is not approved.

Ineligible Purposes for Grants

The Presbyterian Foundation will not approve a grant if the grant would, in whole or in part, be used for the ineligible purpose, including, but not limited to, the following:

- payment for dues
- purchase tickets to a benefit
- purchase goods at a charitable auction
- membership fees
- lobbying, political contributions, or political campaigns
- to satisfy a legally enforceable obligation
- personal pledge that has been made by a Primary Advisor
- any organization or individual related to a Primary Advisor
- any organization or charity which is deemed in conflict with the mission of the Presbyterian Church (U.S.A.).

In any event, the Presbyterian Foundation reserves the right, in the exercise of its sole and absolute discretion, to approve or disapprove any recommendations for grants.

Grants with benefit(s) to the Primary Advisor

Primary Advisors should be aware that the Pension Protection Act of 2006 subjects a Primary Advisor or a Primary Advisor-related person to a 125% excise tax if the advice to the Presbyterian Foundation to make a 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. Primary Advisor should consider the risk of the 125% excise tax and seek legal counsel as deemed appropriate.

Grant Purposes

A Primary Advisor may include in a recommendation that the grant be used by the qualified charitable organization for a specific purpose or project such as medical work or a building fund. The purpose will be included in the review of the grant recommendation, and will be conveyed to the qualified charitable organization.

Grants from specific investment portfolio

Primary Advisors may recommend a grant be made from a specific investment portfolio. If a recommendation is not given, the grant will be taken proportionately from each investment portfolio.

If the amount of the grant exceeds the balance of the recommended investment portfolio, the Foundation will disburse the grant equally from the remaining portfolios to fulfill the grant amount. If a grant amount recommendation exceeds the Fund balance, the Foundation will request that the Primary Advisor revise the grant amount or make an addition to the Fund.

Grant Amounts

Grant recommendations must be \$100 or greater, or for the balance of the Fund, whichever is less. All recommended amounts must be whole dollar amounts unless the recommendation is for the balance of the Fund.

If the Fund is inactive for ten (10) calendar years or the total grants distributed within that time period is less than \$200.00, correspondence will be sent within the first quarter of the eleventh calendar year to Primary Advisor(s) and Grant Advisor(s) requesting that one or more grant recommendations totaling at least \$200.00 be submitted. If there are no grant recommendations submitted by September 30th of the eleventh year, the Foundation will distribute the entire Fund balance to the successor charitable beneficiary if one has been named by the Primary Advisor. If no successor charitable beneficiary is named, the Fund will be distributed to the Presbyterian Church (U.S.A.) for its uses.

Processing the Grant

Grant recommendations will be reviewed by the Foundation within five business days of receipt of the recommendation. The Foundation will make the grant generally within ten business days. If a grant recommendation is for a charity that has not been previously reviewed and verified by the Foundation as a qualified charitable organization, a longer review time may be needed to complete additional due diligence.

Investment vehicle values may fluctuate between the time of the grant recommendation and its disbursement.

Distributing the Grant

The distribution of the grant to the charity is made by the Presbyterian Foundation and is accompanied by a letter identifying the *Creative Gift Fund* that made the gift and at whose recommendation the grant is being sent. The letter will include your preference for recognition or anonymous if selected during the grant recommendation process. Your address will be included with the letter if you desire so the charity can extend its thanks to you for the grant recommendation.

A Primary Advisor may not act as an intermediary for delivery of the Fund distribution to the charitable beneficiary when a grant is made unless specifically approved to do so by the Foundation.

Tax Considerations

Each Primary Advisor who opens a *Creative Gift Fund*, with the expectation of receiving the benefit of deductions for purposes of state and federal income taxes, does so with the understanding that neither the Presbyterian Foundation, nor any of its directors, officers, employees, agents or representatives, are engaged in (a) providing legal advice, accounting advice or tax advice, or (b) rendering legal opinions or tax opinions, or (c) other professional service. The Presbyterian Foundation recommends that each person planning to make a charitable contribution to the Presbyterian Foundation, or any other tax-exempt organization, seek legal, accounting, or tax advice, and/or other expert assistance from experienced and competent advisors, prior to making any such contribution.

Reporting and Receipts

The Primary Advisor will be provided with notifications of all Fund transactions. Quarterly statements and any other financial reports or information required by law will also be provided. Any discrepancy must be reported to the Foundation within sixty days of receipt. Primary Advisors may elect electronic delivery of statements, confirmations and other communication at www.PresbyterianFoundation.org/creative

Disclosures

The minimum annual grants from the combined total assets of each *Creative Gift Fund* held by the Presbyterian Foundation must be greater than 5% of the total combined *Creative Gift Fund's* average net assets. If this requirement is not met, correspondence will be sent to the Primary Advisor, who has not made any grant recommendations in the last twelve months, requesting grant recommendations. If grant recommendations are not made within ninety (90) days, the Foundation will distribute the required amount from these funds to the successor charitable beneficiary named by the Primary Advisor. If no successor charitable beneficiary has been named, the distribution will go to the Presbyterian Church (USA) for its use.



200 East Twelfth Street
Jeffersonville, IN 47130

800-858-6127

www.PresbyterianFoundation.org



What does the Presbyterian Church (USA) Foundation ("Presbyterian Foundation") do with your personal information?

FACTS		
Why?	Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.	
What?	<p>The types of personal information we collect and share depend on the product or service you have with us. This information can include:</p> <ul style="list-style-type: none"> - Social Security number and account balances - payment history and transaction history - account transactions and checking account information <p>When you are <i>no longer</i> our customer, we continue to share your information as described in this notice.</p>	
How?	All financial companies need to share clients' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their clients' personal information; the reasons the Presbyterian Foundation chooses to share; and whether you can limit this sharing.	
Reasons we can share your personal information	Does Presbyterian Foundation share?	Can you limit this sharing?
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	Yes	No
For our marketing purposes - to offer our products and services to you	Yes	No
For joint marketing with other financial companies	Yes	Yes
For our affiliates' everyday business purposes - information about your transactions and experiences	Yes	Yes
For our affiliates' everyday business purposes - information about your creditworthiness	Yes	Yes
For our affiliates to market to you	Yes	Yes
For nonaffiliates to market to you	Yes	Yes
To limit our sharing	<p>- Call 800-858-6127 or - Mail the form below</p> <p>Please note: If you are a new customer, we can begin sharing your information 30 days from the date we sent this notice. When you are <i>no longer</i> our customer, we continue to share your information as described in this notice.</p> <p>However, you can contact us at any time to limit our sharing.</p>	
Questions?	Call 800-858-6127 or go to www.presbyterianfoundation.org	

Mail-in Form	
Mark any/all you want to limit:	
<input type="checkbox"/> Do not share my personal information with other financial institutions to jointly market to me.	
<input type="checkbox"/> Do not share information about my transactions and experiences with your affiliates for their everyday business purposes.	
<input type="checkbox"/> Do not share information about my creditworthiness with your affiliates for their everyday business purposes.	
<input type="checkbox"/> Do not allow your affiliates to use my personal information to market to me.	
<input type="checkbox"/> Do not share my personal information with nonaffiliates to market their products and services to me.	
Name	
Address	
City, State, Zip	

Mail To: Presbyterian Foundation
200 E. 12th Street, Jeffersonville, IN 47130

What we do	
How does the Presbyterian Foundation protect my personal information?	<p>To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings.</p> <p>Email addresses will only be provided to affiliates or service providers. Cookies are not used to get data from your hard drive, to get your email address or personal information.</p>
How does the Presbyterian Foundation collect my personal information?	<p>We collect your personal information, for example, when you</p> <ul style="list-style-type: none"> - open an account or provide account information - give us your contact information or pay us by check - tell us your investment or retirement portfolio <p>We also collect your personal information from others, such as credit bureaus, affiliates or other companies.</p>
Why can't I limit all sharing?	<p>Federal law gives you the right to limit only</p> <ul style="list-style-type: none"> - sharing for affiliates' everyday business purposes information about your creditworthiness - affiliates from using your information to market to you - sharing for nonaffiliates to market to you <p>State laws and individual companies may give you additional rights to limit sharing. [See below for more on your rights under state law.]</p>
What happens when I limit sharing for an account I hold jointly with someone else?	Your choices will apply to everyone on your account.
Definitions	
Affiliates	<p>Companies related by common ownership or control. They can be financial and nonfinancial companies.</p> <ul style="list-style-type: none"> - <i>Our affiliates include the Presbyterian Church (USA), A Corporation and New Covenant Trust Company, N.A.</i>
Nonaffiliates	<p>Companies not related by common ownership or control. They can be financial and nonfinancial companies.</p> <ul style="list-style-type: none"> - <i>Nonaffiliates we share with can include New Covenant Funds.</i>
Joint marketing	<p>A formal agreement between nonaffiliated financial companies that together market financial products or services to you.</p> <ul style="list-style-type: none"> - <i>Our joint marketing partners include New Covenant Funds.</i>
Other important information -	
If you are a resident of Vermont, you are automatically considered to have opted out of sharing with our affiliated and nonaffiliated companies.	



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