



WHAT IS A RESTRICTED FUND?

A Restricted Fund allows you to choose one or more specific charitable organizations to support, after which CCF will “restrict” grants to only the organizations you have chosen. If a donor is deceased, and the nonprofit organization changes its mission or closes, CCF will direct the donor’s grants to one or more organizations that most closely honor the donor’s intent.

WHO SHOULD CONSIDER ESTABLISHING A RESTRICTED FUND?

Donors who already know the specific organizations they would like to support. This fund is also ideal if you wish to schedule quarterly or annual grants, relieving you of making grants manually.

WHAT ARE THE BENEFITS OF A RESTRICTED FUND?

- You specify beneficiary organizations
- CCF ensures your philanthropic legacy by redirecting grant dollars if the organization(s) you have chosen closes down or changes its mission
- CCF monitors the organizations you select to help ensure that the grant dollars are used as you intended
- Granting on a set schedule can further simplify the process
- You can give complex or unusual assets at fair market value (e.g., real estate, closely-held stock)
- Opportunity to name the fund after you or in honor of a family member, a friend or an organization (e.g., the Jim Watanabe Family Foundation)
- Ability to grant anonymously
- Ability to leave a legacy

at a glance

Restricted Fund

- Enables you to support (or continue supporting) specific organizations without having to make grants manually
- If an organization closes or changes, CCF will redirect future grants to comparable organizations
- Minimum to establish: \$25,000

HOW DOES A RESTRICTED FUND WORK?

- 1 Donor establishes the fund and selects the organization(s) he or she would like to regularly support.
- 2 Donor selects granting schedule – quarterly or annually.
- 3 CCF automatically grants funds to the organization(s) chosen based on the timing the donor has selected.



WHAT ARE THE TAX ADVANTAGES OF A RESTRICTED FUND?

- Receive the maximum tax deduction available in the year the contribution is made
- Reduce estate taxes with testamentary gifts
- Avoid costly capital gains taxes while realizing the maximum tax deductibility of your donation with a gift of real estate or other complex assets

CONSIDERATIONS

Grants can be made only to the organizations chosen by donors when the fund was established. Donors may not provide ongoing advice to CCF with respect to the fund.

WHAT ARE THE MINIMUMS AND FEES?

A Restricted Fund may be opened with \$25,000, and additional contributions can be made at any time thereafter.

Administrative fees are 1 percent, assessed annually on July 1. Investment management and consulting fees related to the foundation's investment pools are charged separately. Additional fees may be charged for any mutually agreed-upon extraordinary legal, banking or other services rendered on behalf of a fund. Contact CCF for more information about calculating administrative fees.

To establish a **Restricted Fund**, contact Vice President of Development & Donor Relations Teresa Mosqueda at tmosqueda@calfund.org or (213) 452-6298.

IMPORTANT LEGAL DISCLOSURE

The information provided is general and educational in nature. It is not intended to be, and should not be construed as, legal or tax advice.

The California Community Foundation does not provide legal or tax advice. You should consult your tax advisor to properly determine the tax consequences of making a charitable gift to the California Community Foundation.

Contributions to the California Community Foundation represent irrevocable gifts subject to the legal and fiduciary control of the foundation's board of directors.

© 2018 California Community Foundation

SOLRES0818