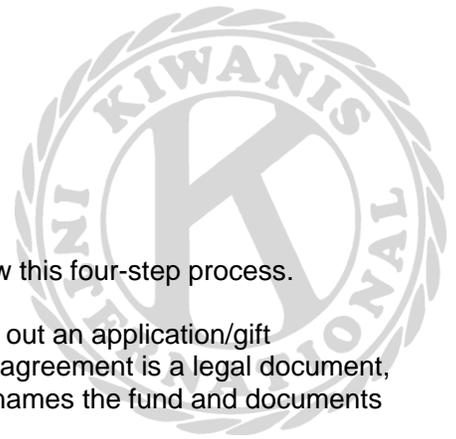


# Kiwanis Children's Fund Donor advised fund: Steps to establish an account



Setting up a donor advised fund is easier than you may imagine. Just follow this four-step process.

**Step 1: Create a Kiwanis Children's Fund donor advised fund** by filling out an application/gift agreement form and contributing cash or other assets. The application/gift agreement is a legal document, agreed upon by you as the donor and the Kiwanis Children's Fund, which names the fund and documents your intent as the donor.

An individual, family, club, club foundation, district or district foundation can establish a donor advised fund with a minimum contribution of US\$10,000. The fund is a permanent, endowed fund which will allow you to eventually make grants to Kiwanis causes important to you. Anyone can contribute directly to the fund at any time, and if an individual, receive a charitable tax deduction.

The Kiwanis Children's Fund will hold, manage, invest and reinvest the assets of the fund. The Children's Fund charges a one percent fee to provide management services to the fund.

**Step 2: Name at least two advisors** for your account. Your account advisors are authorized to recommend grant distributions from the fund's annual spendable amount. Advisors may include family members (for individual or family accounts) or club or district officers (for Kiwanis organization accounts).

**Step 3: Describe your fund's purpose** and identify any restrictions in the distribution of the annual spendable amount. For example, funds may be established to exclusively support Kiwanis causes either locally or internationally, to sustain emergency disaster-relief aid, to provide scholarships or for general charitable purposes. Your application/gift agreement provides any awards criteria (e.g. scholarship parameters) and explains how your gift will be administered and stewarded.

**Step 4: Recommend grants** of \$500 or more, depending on your annual spendable amount, in support of Kiwanis causes. Grants are made from the annual spendable amount, as determined by Kiwanis Children's Fund policy, once the fund balance reaches \$25,000. The current annual distribution amount is four percent of the fund's value on December 31 of the previous year.

An endowed gift of at least \$50,000 allows you to grant at least sixty percent of the annual spendable amount to Kiwanis causes. The remaining forty percent of grantable dollars may be granted to one or more non-Kiwanis organizations which qualify as 501(c)3 charitable organizations.

In some cases, the Children's Fund may also make suggestions if we receive a grant request that matches your fund's stated purpose. These recommendations are advisory in nature and all recipients must be confirmed as eligible according to IRS requirements. The Kiwanis Children's Fund retains the right to approve, reject or modify all grant recommendations.