



Capital News-- February 13, 2023

Caring for God's House - Together



Variety in Donating

Last week, we introduced the subject of pledging and ultimately donating. That continues today with more details on ways to maximize donations and minimize the donor's work!

Typical donations to the church come as cash, checks from bank accounts & RMDs (from IRAs), and online donations through the website

presbyterianfoundation.org/donate/.

Another way to donate is called **Donor Advised Funds (DAF)** that we'll summarize today.

DAFs allow you to take a tax deduction immediately but still allow the money to grow tax free before going to the church – a win-win situation. You can make a donation that can be dispensed over more than one year, while you may want the deduction in the current year. In the meantime, Presbyterian Foundation manages the funds. One caveat: the minimum to open an account is \$2,500.

A Fund can be established by individuals, corporations and other business entities, trusts, and estates. The application can be downloaded &/or completed at presbyterianfoundation.org. 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 Donor/Primary Advisor to recommend (advise), but not control, how assets in a DAF are invested and distributed, with all such recommendations being subject to Foundation approval. The Foundation at its sole discretion may approve grants to qualified organizations.

ASSETS TO ESTABLISH A FUND You may open your Donor-Advised Fund with a check, credit/debit card, electronic funds transfer, wire transfer, marketable securities, or nontraditional assets. The Foundation can accept non-traditional gifts, including real estate, business interests, and life insurance policies.

All gifts will be reviewed by the Foundation for acceptance, & then a written receipt will be sent to the donor(s). For transfer instructions for publicly traded securities, contact the Foundation at 800-858-6127, extension 5909. Once the fund is established, the Foundation does all the work!

Investment of Fund Assets A variety of professionally managed mutual funds are available for DAF assets. Additions to the Fund are accepted at any time. There is no minimum amount for fund additions. The investment of the Fund will be at the 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. All dividends and capital gains are reinvested.

At the time the Fund is established, the Primary Advisor(s) of each Donor-Advised Fund may recommend that the assets be invested in one or a combination of mutual funds. If no investment recommendation is made, the assets will be invested in a money market vehicle.

Grant Recommendations The donor/Primary Advisor(s) may make grant recommendations at any time through the Online Portal. Visit presbyterianfoundation.org/daf to access the Online Portal.

5 Great Reasons to Open a Donor Advised Fund with Presbyterian Foundation

1. **FLEXIBILITY** You can make gifts to your favorite charities and local congregation and far beyond, supporting all of the church's ministries and/or charities that are close to your heart.
2. **GIVING ON YOUR SCHEDULE** You may receive an immediate tax deduction when you open your fund, yet you can take months or years to recommend grants. You can also schedule recurring grants.
3. **PLANNING YOUR LEGACY** You can ensure that giving continues after your lifetime through instructions to make grants you designate or to name an heir to continue as a grant advisor.
4. **DISTRIBUTING AND ACKNOWLEDGING THE GRANT** The distribution of the grant to the charity is made by the Presbyterian Foundation and is accompanied by a letter identifying the details of the grant so that the charity can extend its thanks.
5. **SOLID INVESTMENT OPTIONS** Choose among investment options according to your own short and long-term plan for making grants .

Teaching Moment Share your grant recommendations with your children and/or grandchildren to teach them about the causes you love. They'll learn more about what matters to you and will model your generosity. Even young children can enjoy giving through a DAF.

The Presbyterian Foundation recommends that each person planning to make a charitable contribution to any tax exempt organization seek legal, accounting, or tax advice, and/or other expert assistance prior to making any such contribution.

Since 1799, the Presbyterian 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 (U.S.A.). This history 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 200 years, enabling Presbyterians to express their faith through their generosity. 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.

Thank you for your support!

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