

Guidelines for Corporate Advised Funds

Corporate advised funds are a flexible fund option at The Rhode Island Foundation. These guidelines ensure that these funds will be consistent both with the charitable purposes of the Foundation and the regulations governing advised funds issued by the United States Treasury Department. We reserve the right to amend these guidelines at any time.

1. Grant recommendations may be made to most qualified charitable organizations.

A qualified charitable organization is an organization that has been issued a 501(c)(3) determination letter from the Internal Revenue Service (IRS) stating that it is a charitable organization and is not a private foundation. Municipal, state, and federal governments, public schools, and some religious organizations also may be eligible for grants for charitable purposes. If there are questions about an organization's eligibility, please call us and we will research the group for you.

2. The Foundation's Board of Directors retains control to approve or deny grant recommendations.

The Foundation must evaluate each recommendation independently. Grant recommendations cannot be binding; if they were, the IRS would classify the fund as a private foundation. This would jeopardize the tax deduction allowed for the gift, and the IRS could levy taxes and penalties on the donors, the fund, and the Foundation.

3. Grant recommendations the Foundation cannot approve due to applicable law and IRS regulations:

- Grants to satisfy pledges
- Grants for which donors, advisors, or related parties receive an excess benefit (membership, event attendance, sponsorships)
- Direct grants to or for the benefit of specific individuals, such as scholarships
- Grants, loans, or compensation to the donors, advisors, or related parties
- The Foundation will not typically allow grants to supporting organizations and private foundations

4. Frequency of grant recommendations

Grant recommendations may be made as often as advisors wish and at any time during the year. Grant checks and letters, including the fund advisor names, are mailed to recipients on the 10th and 25th of each month. You may request anonymity at any time. Grant recommendations are due by the 1st or 15th of the month through DonorCentral or by sending a grant recommendation form to the Foundation.

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THE RHODE ISLAND
FOUNDATION

One Union Station
Providence, RI 02903
(401) 274-4564

www.rifoundation.org

5. Grant recommendations amounts

Our minimum grant distribution is \$250. The maximum is determined by the fund size and the fund instrument governing the potential use of principal. Currently, a \$25,000 minimum fund balance must be maintained at all times.

6. Advisors for corporate advised funds

The corporation's choice of advisor is stated in writing at the time of the Fund creation. With corporate advised funds, one corporate position and its associated employee are named. The person in the position (i.e., managing partner, CEO) is the primary advisor and interacts with the Foundation. The corporation also may name others to work with the primary advisor.

7. Fundraising

Although we understand that some corporations may wish to grow endowment funds through fundraising events, we do not allow the use of the Foundation's name or the name of any component fund of the Foundation in connection with any fundraising event. However, anyone may contribute directly to your fund. We are happy to answer any questions that you may have.

8. Assuring the fund's permanence

If the corporation merges with another company, the fund can continue to operate under its existing name, or the new identity of the corporation can be incorporated into the fund name. Any changes in fund names must be requested in writing.

If a corporation ceases to exist, the fund will become either an unrestricted fund or a field of interest fund, based on the original instructions when the fund was established. Unrestricted funds support critical unmet needs in Rhode Island, as determined by Foundation staff and board of directors. Field of interest funds support a broad specific field, either topical or geographic.

For further information, please email the Development Office at philanthropy@rifoundation.org, or call us at (401) 274-4564.

Thank you for choosing The Rhode Island Foundation as your philanthropic partner.

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