



## **DESIGNATED FUNDS AND THE IRA ROLLOVER**

### *AT CHRISTIAN FOUNDATION OF AMERICA*

Beginning January 1, 2016 permanent law makes it possible for individuals age 70 ½ and older to make direct gifts to charity from their IRA accounts that do not have to be reported as income, AND that count towards their RMD's (Required Minimum Distribution).

This provision is very popular with seniors who would like to make gifts to charity, but don't want to increase taxable income. Those gifts to charity must go to "public charities" and for purposes not including donor advised funds.

**At Christian Foundation of America, individuals have several ways to make a direct IRA rollover gift:**

1. **Direct Gift to Christian Foundation of America.** CFA is always grateful for gifts to fund our core ministry, or to add to any of our open designated funds. We currently have the following options available:
  - a. CFA Core Mission Fund
  - b. CFA Grants Awards Fund
  - c. CFA Endowment Fund
  
2. **Pass – Through gifts to other approved public charities affiliated with CFA.** We have a large list of charitable organizations that we can suggest. Just let us know your area of interest and we will help you choose charities that have causes you care deeply for. Or you can tell us charities you would like to make gifts to at or before the time of the IRA rollover gift. Charities will be approved based on CFA's Board policy.
  
3. **Establish a "Family Field of Interest Designated Fund".** This is a unique designated fund created to fulfill your defined specific purposes, within CFA's policy. CFA's suggested minimum is \$20,000. This is not a donor advised fund. We will listen to your interests and recommend a field of interest definition that meets your interests. For instance, a field of interest might be "church planting, new church development and church growth activities". Another might be "education scholarships for post-secondary seminary or theological degrees". CFA will then administer the fund according to the purposes you establish. Then you can make additional gifts from IRA Rollover or other assets for years to come.



## Making IRA Rollover Gifts to CFA:

Making an IRA Rollover Gift to CFA is very easy!

### Follow these steps:

1. **Decide the amount to give.** IRS rules permit up to \$100,000 each calendar year that can count towards your RMD. We can help you plan for the right amount.
2. **Decide the fund (s) where you want your IRA Rollover gift to go.** See page one for options.
3. **Contact your IRA custodian,** and request a “Qualified Charitable Distribution” be made directly to Christian Foundation of America. Follow your custodian’s instructions to complete the request. They may need verification of CFA’s public charity status. They can verify that with our Tax ID # : 77-0566530
4. **Instructions for Checks From IRA to CFA** should be as follows:

Christian Foundation of America  
1 Dole Drive Suite 3133  
Westlake Village, CA 91362

Memo: [name of the fund or designated fund above]

5. **Timing.** In order for your IRA Rollover to count for the current year’s RMD, it must be delivered prior to December 31 of that calendar year to CFA. Custodians get very busy near year end. So, we recommend you complete this process by about December 1. Your custodian can tell you how much lead time they need.

## Administration of Designated Funds at CFA:

Designated funds at CFA are managed according to CFA approved policies and procedures. CFA will manage in its sole discretion including investing of funds and disbursing income or principal for purposes consistent with the fund. CFA collects from each fund it administers an annual cost recovery to cover its costs. The cost recovery may vary based on account size, and level of activity. CFA’s guideline cost recovery is 1%/year, collected quarterly. CFA will inform you if the cost recovery for your Designated Fund is different from the guideline amount.