



Active Funds Policy

(Approved April 23, 2019)

To carry out its mandate of granting charitable dollars, the Community Foundation for Monterey County (Foundation) periodically reviews the grantmaking activity of all donor-advised funds. The Foundation contacts donor advisors at least annually and encourages them to retain an active role in their donor-advised fund. Donor advisors who would like to delay recommendations for grantmaking in order to recommend a significant grant at a later date, or other circumstances, should communicate such to the Foundation, preferably via letter or email. These communications will be archived, and philanthropic services staff will periodically confirm with donor advisors that this remains their course of action.

If a donor-advised fund has made no grants for two consecutive full calendar years, the Foundation will contact the donor advisor(s) to encourage grantmaking and discuss intentions for the fund. The Active Funds Policy will be shared with the donor advisor(s). They will be notified that if a grant is not made in the next year, the active funds policy will be implemented.

If the donor advisor(s) is unresponsive and/or the fund does not make any grants for another year (three consecutive full calendar years with no grants) the advisor(s) will be given written notice via registered letter encouraging grantmaking and reminding them of the Foundation's Active Funds Policy.

In the event the fund has made no grants, the advisor cannot be located or is unresponsive for a third year, the fund – whether endowed or non-endowed – will have that year's board-approved payout rate for endowed funds applied to the previous year-end fund balance, and the proceeds of such application will be utilized in the Foundation's primary discretionary grantmaking program as an unrestricted addition (currently the Community Impact grant program). If this continues for three additional years, and there is no communication from the donor advisor(s), the fund will be declared fully inactive. If the donor advisor(s) has provided the Foundation instructions on the use of the fund at their death or resignation, whether in the fund agreement or separately in writing, the fund will be administered in accordance with these instructions. Should there be no instructions, the fund will become a named component fund of the Foundation's unrestricted endowment.