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## Stewards Fund

*A Convenient and Tax-Efficient Way To Give*

The Stewards Fund, a donor-advised fund, provides an excellent opportunity to meet your charitable goals with the flexibility to insure that your gifts are used most effectively. You make a gift to your Stewards Fund and then request grants to your favorite charities at any time.

### **What are the Benefits of Using the Stewards Fund?**

- You time your gift according to its greatest tax advantage.
- You benefit from the knowledge and expertise of the Barnabas Foundation staff in managing and liquidating significant non-cash assets.
- Using the Fund simplifies gifting to several charitable organizations.
- Your fund is donor-advised; you recommend the charities to support.
- Accounts may be used to meet long-term family stewardship goals, rather than more costly and complex private foundations.
- Low administrative costs are a positive result of Barnabas Foundation's special role as a member-supported organization.
- Grant recommendations can be made at anytime using our e-grant system on our website.

### **How Does the Stewards Fund Provide Flexibility?**

Creating a Stewards Fund account will provide the flexibility you require regarding your gifts to your favorite charities.

- Provides you time to choose the recipients carefully and respond to newly emerging needs.
- Simplifies gifting to several charitable organizations at one time.
- Gifts made to particular organizations may be made in smaller increments or designated periodically to meet specific organizational needs.
- Grants can be requested at any time of the day using our convenient e-grant system available on our website.

### **How Do You Set Up a Stewards Fund Account?**

The procedure is simple. Barnabas staff will assist you in transferring your asset to Barnabas Foundation's Stewards Fund, a tax-exempt organization. At the time of the gift, an agreement is made that the asset (or its proceeds) will be distributed only to other tax-exempt charities. The IRS considers this to be an immediately completed gift for income tax deduction purposes.

You may then recommend grants to your favorite Christian causes or charities. You can either use our convenient on-line Grant Recommendation process or fax/mail a Grant Recommendation Request form to Barnabas Foundation.

Barnabas Foundation provides a flexible approach to investment of Stewards Fund accounts. It is our goal to make sure your favorite charities receive your donations, while providing earnings growth in your account.

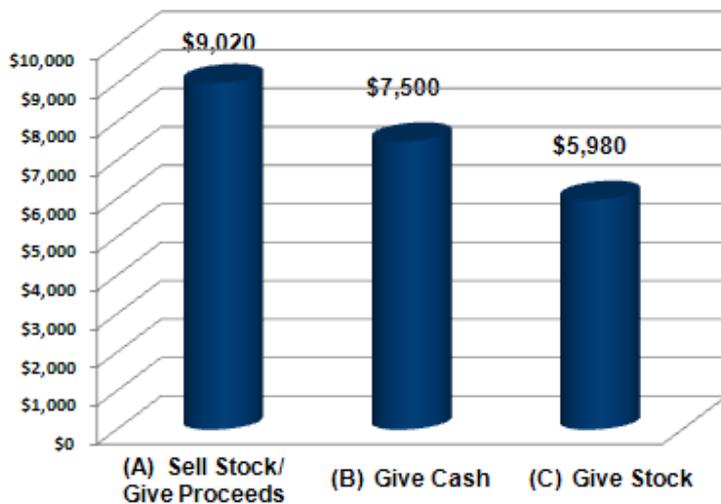
## Why Should You Give Appreciated Assets?

The federal tax law makes gifts of appreciated assets (stocks, bonds, mutual funds, real estate, closely-held corporate stock) owned for one year, advantageous for many people.

- Appreciation on charitable gifts is not subject to capital gain tax.
- You receive a tax deduction for the full value.
- The actual cost to you could be significantly lower when using appreciated assets.

Here is an example of the tax savings of giving appreciated assets.

### The After-Tax Cost of Giving \$10,000



- (A) Sell \$10,000 in stock and give the proceeds. Results in a tax savings of \$2,500, but a capital gain tax bill of \$1,520 for a net cost of \$9,020.
- (B) Give cash. Results in a tax deduction of \$2,500 for a net cost of \$7,500.
- (C) Give \$10,000 in stock; avoid capital gain tax of \$1,520 plus realize a tax savings of \$2,500; results in net cost of \$5,980. **For donors with a lower cost basis, the out-of-pocket may be as low as \$5,600.**

*All calculations are based on 25% federal, 4% state income tax and capital gain rates of 15% federal, 4% state, cost basis of \$2,000)*

**For more information** or to set up a Stewards Fund account, contact Barnabas Foundation toll free at 888-448-3040 or e-mail us at [StewardsFund@barnabasfoundation.com](mailto:StewardsFund@barnabasfoundation.com).

### Special Note about IRA Charitable Rollover Gifts...

A donor-advised fund does not qualify for IRA Rollover distributions. However, even though our **Stewards Fund** cannot be used for this purpose, a **Restricted Fund** is eligible to receive tax-free IRA Charitable Rollover distributions. If appropriate, Barnabas Foundation will be pleased to provide more information and help you establish a **Restricted Fund**.