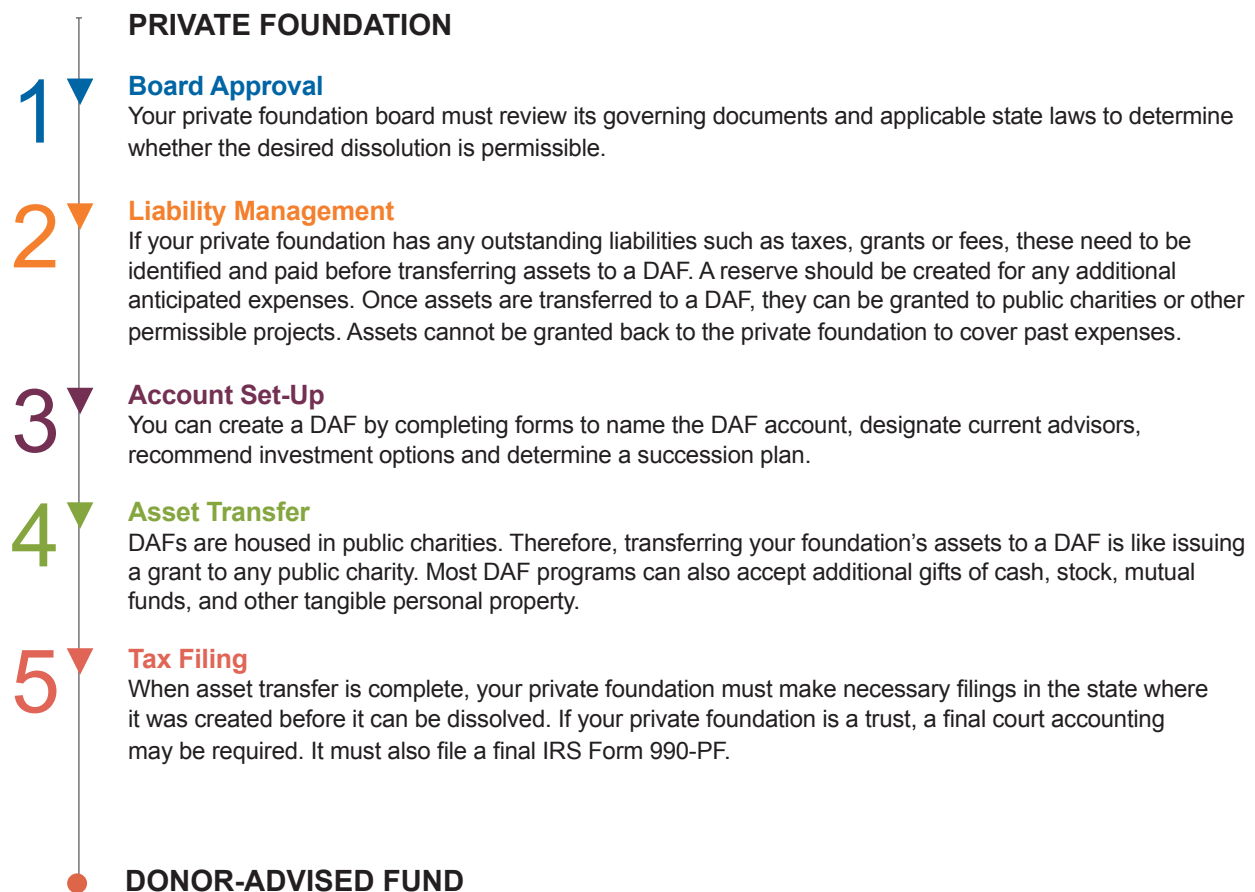




An Overview for Converting a Private Foundation to a Donor-Advised Fund

Private foundations are powerful giving vehicles but can be both costly and time-consuming to maintain. NPT can help you convert all or part of your private foundation to a donor-advised fund (DAF). You will incur less overhead and have increased grant flexibility. Your family or foundation directors can be advisors and successors to the DAF and can replace themselves in perpetuity. You may use your foundation's name as your DAF name. For more information, contact NPT's development team (888) 878-7900 or by email at npt@nptrust.org.



KEY FACTS

The average time to convert a private foundation to a DAF is 3 to 6 months.

To terminate private foundation status, the sponsoring charity that will receive the foundation's assets must have been in continuous existence for the immediately preceding 5 years. If this is not the case, additional compliance, including written notice to the IRS, is required.

The information in this document is an overview and is not intended to be exhaustive. If you decide to convert your private foundation to a DAF, you will need to comply with state law requirements, in addition to federal tax law. NPT strongly encourages you to consult with your tax advisor or attorney before closing your private foundation or making any charitable contribution.