



Zoological Lighting Institute (ZLI) Donor-Advised Fund (DAF) Policy Document

Effective Date: [2/3/25]

Last Updated: [2/3/25]

1. Introduction

The **Zoological Lighting Institute (ZLI)** has established a **Donor-Advised Fund (DAF) Program** to provide donors with a tax-efficient and flexible way to support for...

- 1) *ZLI Endowments*
- 2) *AWASH Cruelty Free Design*
- 3) *ZALA Animal Welfare Monitoring, and*
- 4) *PhotoDiversity Media*

...ensuring long-term sustainability for the ZLI mission to support the sciences of light and life through the arts for animal welfare and wildlife conservation.

This policy document outlines the structure, management, and donor guidelines for the *ZLI DAF Program*.

2. Purpose of the *DAF Program*

The *ZLI DAF Program* is designed to:

- Encourage **charitable giving** to support ZLI's mission.
- Allow donors to **recommend grants** to ZLI initiatives.
- Maintain at least **25% of funds in cash reserves** for liquidity and sustainability.
- Ensure compliance with **IRS regulations** and best practices.



3. Establishing a Donor-Advised Fund

3.1 Eligibility

Individuals, families, corporations, and foundations may establish a DAF with ZLI, provided they:

- Contribute a minimum of **\$5,000** in cash or assets.
- Agree to the policies and guidelines set forth in this document.

3.2 Contributions

- Accepted assets include:
 - 1) **cash**
 - 2) **publicly traded securities**
 - 3) **mutual funds, and**
 - 4) **other non-cash assets (subject to approval).**
- All contributions are **irrevocable** and become the property of ZLI.
- Acknowledgment and tax receipts will be provided for all donations.

3.3 Cash Reserve Requirement

- A minimum of **25% of all DAF assets will be held in cash** within the account.
- The remaining funds may be allocated for grants to ZLI initiatives.

4. Investment and Fund Management

- ZLI retains **full discretion** over investment strategies for DAF funds.
- Assets may be invested to grow the fund, ***subject to ethical and mission-aligned investment policies.***
- The **25% cash reserve** is maintained to ensure financial stability.



5. Grantmaking and Donor Advisory Privileges

5.1 Donor Recommendations

- Donors may **recommend grants** from their DAF to support:
 - 1) **ZLI Endowments**
(Research Grants and Scholarships related to ZLI Framework of LFD priorities)
 - 2) **AWASH** (Cruelty Free Design (Architecture/Real Estate, Fashion, Product Design))
 - 3) **ZALA** (Scientific Animal Welfare Monitoring and Assessment)
 - 4) **PhotoDiversity Media** (Engaging Media aligned with *ZLI Campaign Values*)
 - Recommendations must be **submitted in writing** and are subject to approval by *ZLI's Board* and/or *ZLI's Officers (Executive Director, Treasurer)*.

5.2 Grant Approval Process

- Grants must align with ZLI's **mission and nonprofit status**.
- ZLI has **final discretion** over grant distributions to ensure compliance.
- Funds may not be used for:
 - 1) Political contributions.
 - 2) Personal benefit or compensation.
 - 3) Non-charitable purposes.

6. Fees and Administration

6.1 Administrative Fees

- A **management fee of 1.5% per year** will be assessed on DAF assets to cover administrative costs.

6.2 Reporting and Transparency

- Donors will receive **annual statements** summarizing fund balances, contributions, and grant distributions.
- ZLI will ensure **compliance with IRS Form 990** reporting requirements.



7. Termination and Fund Succession

7.1 Fund Succession Options

- Donors may designate a **successor advisor** to continue grant recommendations.
- If no successor is named, remaining funds will be allocated at ZLI's discretion to support **ZLI Endowments, AWASH, ZALA, or PhotoDiversity Media**.

7.2 Fund Termination

- If a DAF remains inactive for **five (5) consecutive years**, ZLI reserves the right to allocate the funds to priority initiatives.
- ZLI may close a DAF at its discretion if it no longer aligns with organizational goals, including but not limited to any impropriety.

8. Compliance and Legal Considerations

- The ZLI DAF Program complies with **IRS regulations (Section 501(c)(3))**.
- All grants must support **charitable activities** and meet **legal due diligence requirements**.
- ZLI reserves the right to amend this policy to maintain compliance and effectiveness.

9. Contact Information

For more information or to establish a Donor-Advised Fund, please contact:

Zoological Lighting Institute (ZLI)

Website: www.zoolighting.org

Email: admin@zoolighting.org

[Phone: (Insert Contact Number)]

Approved by:

[Name]

Executive Director, Zoological Lighting Institute

Date: [Insert Date]

DONOR-ADVISED FUND (DAF) POLICY DOCUMENT



Summary of Key Features:

- ✓ **Minimum Contribution:** \$5,000
- ✓ **Granting Areas:** ZLI Endowments, AWASH, ZALA, PhotoDiversity Media
- ✓ **Cash Reserve:** 25% of funds retained in cash
- ✓ **Management Fee:** 1.5% annually
- ✓ **Donor Advisory Privileges:** Recommendations allowed, subject to approval

This **Donor-Advised Fund Policy** is intended to ensure that all contributions are **ethically managed**, legally compliant, and aligned with ZLI's mission.