Questions and Answers about the AHRC New York City Foundation Community Trust I for Persons with Disabilities

Q What is the AHRC New York City Foundation Community Trust I for Persons with Disabilities?

A The AHRC Community Trust allows you to provide financial resources for a loved one who has a developmental disability, without affecting that person’s eligibility for government benefits.

A parent, relative or any other person may establish an account within the Trust and designate a disabled loved one as beneficiary. Income and principal in that account are available to the beneficiary for expenditures not covered by government benefits.

Q What types of expenditures may be made with funds from the Trust?

A Funds from the Trust may be used for your loved one’s care, comfort, welfare, education or training, so long as these expenditures are over and above benefits provided by government sources.

Examples include a vacation trip, a home computer, special medical equipment or support, gifts or any other luxury items or expenses.

Q How are the funds in the AHRC Foundation Community Trust invested?

A The funds are invested in a balanced portfolio in accordance with the Trust’s investment policy, which is established by the Trustees. Reliance Trust Company is the custodian and investment manager of the Trust.

Q What happens to funds remaining in the account at the end of my loved one’s lifetime?

A When a beneficiary dies, funds remaining in his or her account are withdrawn from the Trust and given to the AHRC New York City Foundation to benefit programs and services for children and adults who have developmental disabilities.

Q How do I establish an account within the AHRC Foundation Community Trust?

A Please call the Foundation Director at 212-780-2682. You will be provided with a sponsor agreement, which allows you to establish a trust account by making an initial contribution of at least $10,000.

Your contribution may be in cash, or it may be in the form of securities, annuities or life insurance policies. You may also make a bequest to the Trust in your will.

Q What would I contribute to the AHRC Foundation Community Trust, or should I establish my own special needs trust for a loved one?

A This decision depends upon your particular circumstances and should be made in consultation with your legal and financial advisers. Many families trust the AHRC New York City Foundation and find that the Foundation’s Community Trust meets their needs and is convenient and cost-effective.

Many financial institutions have minimum financial requirements to establish a trust, usually at least $100,000. The AHRC Foundation Community Trust can accommodate families that wish to contribute $10,000 or more.

Also, many families do not have an individual to designate as trustee to carry out the fiduciary responsibilities associated with a trust.