Donor Advised Funds

A donor advised fund is a flexible giving vehicle that offers immediate tax benefits and allows donors to support the charities of their choice on their schedule through grant recommendations.

How a Donor Advised Fund Works

1. Donor gives assets to the Community Foundation who stewards the fund.
2. Donor evaluates and recommends grants with the assistance of the Community Foundation.
3. The Community Foundation distributes grants from the fund to eligible nonprofits.

Donor Advised Fund Details

- The fund minimum is $10,000 and can be built over time. The minimum distribution is $250.
- Fees: Annual fund administration and management 2% ($250 minimum); investment services approximately 0.26%
- The Community Foundation handles all back office and administrative work, including, but not limited to, required state and federal filings, issuing checks, corresponding with grantees, and producing fund statements.
- The Community Foundation conducts due diligence to ensure that organizations recommended to receive the grants are in good standing with the IRS.
- Funds can either be endowed or non-endowed. Most donor advised funds are non-endowed, which gives donors more flexibility in the amount available for distribution each year.
- Gifts to the fund are irrevocable.
- Community Foundation staff are available to help donors discover new programs, get updated information, and share about request that may appeal to the donors' interests.
- These funds are an efficient, cost-effective solution that will give a donor the flexibility to make grants to multiple charities over time. A donor advised fund may also be appropriate as an alternative to a private foundation.

Contact the Community Foundation's Staff today at 360.705.3340 to get started!

Community Foundation
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