

Donor Advised Fund

DESCRIPTION

A Donor Advised Fund (DAF) is a sub-account at a Community Foundation and, therefore, receives tax treatment like a public charity. This allows the donor to direct their charitable distributions to charities of his/her choice. Some families use DAF's much like they would a family foundation.

ROLE IN SMITH FAMILY PLAN

Low cost, flexible vehicle for charitable giving

Income tax benefits

Low contribution minimums relative to other charitable giving vehicles

Provides professional investment management at a low cost

Provides all administration and accounting services for donor

Provides a structure for your wishes to be administered well into future generations

Enables grant making support

Creates a legacy of family philanthropy

PROTOCOL OUTLINE

Year 1

1) Select and Open a Donor Advised Account

Provisions:

- Provider (Which Community Foundation to Use)
- Donors
- Successor Donors
- Charitable Beneficiaries
- Charitable Mission Statement
- Investment Policy Statement

2) Contribute Appropriate Assets

3) Make Charitable Distributions as desired or required

Year 2

1) Monitor Asset mix and performance

2) Make Charitable Distributions as desired or required

