community foundation

Donor Advised Funds

Play an active role in your charitable giving

Donor Advised Funds are a simple and flexible "charitable savings account" that let you decide when and where to give, helping you Impact Today and Transform Tomorrow!

How Does it Work?

1. **You make a gift** to the community foundation to establish your fund.
2. **We grow your fund** by investing the assets for long-term growth.
3. **You recommend a grant** from your fund to support a charity or cause you are passionate about.
4. **We distribute the grants** in your name or anonymously.

Consider a Donor Advised Fund if You:

- Seek a simple, tax-smart way to maximize your charitable giving
- Want to manage all your giving through one convenient account with no extra paperwork
- Support multiple charities and want the flexibility to respond to community needs
- Wish to involve future generations of your family in your giving
- Need advice on giving to nonprofits that match your passion

- **Minimum to Establish Fund:** $10,000
- **Spendable:** No restrictions- must maintain min. balance
- **Administrative Fee:** (based on a daily average balance)
  - 0-$1M 1.0%
  - Next $1M 0.5%
  - Next $3M 0.3%
  - Over $5M 0.1%
  - Min. Fee: $250

Note: Affiliate Foundations may have additional fees to support local initiatives. See Administrative Fee Schedule for more info.

CONTACT US AND WE WILL CONNECT YOU WITH YOUR LOCAL FOUNDATION

785.823.1800 • foundationservices@gscf.org

Frequently Asked Questions: **Donor Advised Funds**

Is there a minimum to start the fund?

A fund can be established with any size gift, but it must reach the minimum required fund balance before any grants can be made from the fund. You have five years to reach the required minimum.

How is the administrative fee charged?

An annual administrative fee is charged to the fund based on the current fee schedule. This fee is charged in arrears at the beginning of the new fiscal year (July 1) and will show up on your September quarterly statement.

How much can my fund grant each year?

Donor advised funds are super flexible. If you would like to treat your fund as a permanent endowed fund, you may follow our current spendable amount listed on your fund statements (currently 5% of a 16-quarter rolling average of the fund balance), or you can spend any amount above the required minimum fund balance. The choice is yours!

How many times may I make a grant from my fund?

You may make grant recommendations from you fund as many times as you would like. However, in order to keep your account active, we recommend making a grant at least every two years.

Who can I make a grant to?

Grants from donor advised funds are limited to 501(c)(3) organizations or other qualified charitable entities including education, government and religious entities. Grants may not be made to support individuals or for any personal benefit to the donor. More specific information is outlined in the donor advised fund guidelines.

What happens to my fund when I am gone?

All donor advised funds have a "Future Grant Form," that outlines what you want to happen to your fund when you are gone. Some donors want to create a permanent endowed fund in their name that will forever support their favorite charities, some name successor advisors (such as their children) to serve as the next generation of advisors and others disburse the balance of the fund directly to charities or to funds held at the foundation.

How can I check my fund activity?

You can check your fund activity anytime through our online donor portal. Our office also sends out quarterly fund statements outlining the fund balance, available to spend, market activity, grants, and donations..

How are my funds invested?

Your funds are invested for long-term growth through a balanced portfolio consisting of 75% equities and 25% fixed income and cash. The foundation's finance committee oversees the investments and uses a passive approach by using low-cost Vanguard index funds. See chart below to see how your fund can grow!

You may also choose to invest your funds in one of our socially responsible investment (SRI) pool(s) or continue to use your own outside fund manager. If you choose to use your own fund manager, there is a $25,000 minimum fund balance requirement.

Today...

You decide to make a permanent gift of **$10,000**.

After 15 years...

Your gift has grown to **$15,000** and given **$10,000** to charity.

After 25 years...

Your gift has grown to **$18,600** and given **$19,000** to charity.

After 50 years...

Your gift has grown to **$51,000** and given **$35,000** to charity.

(Assumes 5% annual payout, with a 1% administrative fee and an 8.5% rate of return)