

Donor Advised Fund Fact Sheet

At a Glance

- An efficient and flexible giving solution that allows you to make grant recommendations on your own timetable
- Grants can be made to any eligible non-profit organizations in the U.S.
- Minimum to establish: \$5,000

You can simplify your charitable giving by establishing a donor advised fund at the Southeast Virginia Community Foundation (“SEVACF”). Many individuals and families partner with SEVACF, utilizing the community foundation’s services and expertise to facilitate their charitable intentions.

By creating a donor advised fund, you can organize all your charitable activities through one expertly-managed and cost-effective vehicle. Your gift qualifies for an immediate tax deduction, allowing you time to decide which organizations to recommend for grants.

Donor Advised Funds operate much like private foundations, but without the administrative burdens or paperwork. Here are some of the advantages:

- A low-cost, flexible giving vehicle that is easy to establish
- Administrative convenience; SEVACF handles all the paperwork for you
- Give complex or unusual assets at fair market value (e.g. real estate, closely-held stock)
- Opportunity to name the fund after you or in honor of a family member, a friend or an organization
- Experienced professional staff with in-depth knowledge to help you achieve your charitable giving goals
- Involve children and other relatives in your philanthropy
- Select recognition or anonymity on a grant-by-grant basis, or for all of your charitable activities
- No annual minimum distribution requirements, unlike private foundations

How Does a Donor Advised Fund Work?

- Donor makes contributions to SEVACF, who will steward the fund
- Donor evaluates and recommends grantees/non-profits with the assistance of SEVACF
- SEVACF distributes grants from the fund to eligible non-profits

What are the Tax Advantages of a Donor Advised Fund?

- Receive the maximum tax deduction available in the year the contribution is made
- Avoid many of the restrictions imposed on private foundations
- Deduct the value of your gift for tax purposes, yet distribute grants on your own timetable
- Avoid costly capital gains taxes while realizing the maximum tax deductibility of your donation with a gift or real estate or other complex assets

Considerations

You can use your donor advised fund to recommend grants to any eligible non-profit organizations in the United States. SEVACF can help you identify and qualify non-profit organizations that are eligible to receive grants.

What are the Minimums and Fees?

A donor advised fund may be created with an initial donation of \$5,000 or more. Grants can be made over time in keeping with your wishes. There is, however, a minimum grant distribution of \$100.

Administrative fees are assessed quarterly. Currently, our fees are 1.5% with a minimum of \$100.

Gifts to a Donor Advised Fund can be made during a person's lifetime or by bequest or other planned gift.

To establish a Donor Advised Fund, contact our professional program staff at 757-397-5424. We'll work with you to create a customized charitable fund that carries out your unique charitable goals.