



WHAT IS A DONOR ADVISED FUND?

A Donor Advised Fund (DAF) is a giving vehicle that provides you with immediate tax benefits and allows you to support your charities of choice through grant recommendations on your own timetable. Donor Advised Funds are the most efficient, cost-effective alternative to private or family foundations.

WHO SHOULD CONSIDER A DONOR ADVISED FUND?

Donors who want an efficient, cost-effective solution that will give them the flexibility to make grants to multiple charities (domestic and international) over time. A DAF may also be appropriate as an alternative to a private foundation.

WHAT ARE THE BENEFITS OF A DONOR ADVISED FUND?

- A low-cost, flexible giving vehicle that is easy to establish
- Administrative convenience (e.g., consolidation of the management and tracking of tax receipts associated with charitable donations)
- 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 (e.g., the Sheryl Ross Family Foundation)
- An efficient vehicle for supporting meaningful issues and causes, in Los Angeles County and beyond
- Involve family in your philanthropy
- Give anonymously if you so choose
- No annual minimum distribution requirements, unlike private foundations

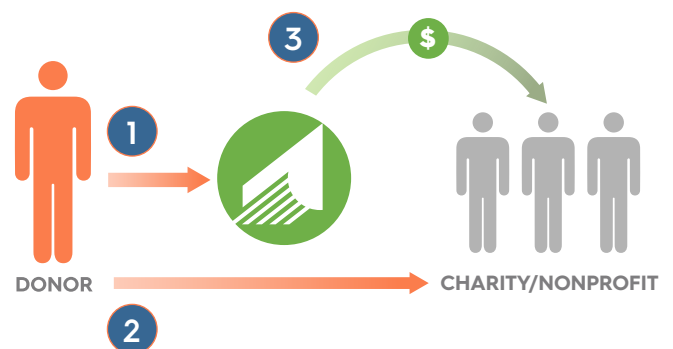
at a glance

Donor Advised Fund

- An efficient and flexible giving solution that allows you to make grant recommendations on your own timetable
- Minimum to establish: \$25,000
- Grants can be made to any eligible nonprofit organizations in the U.S. or worldwide

HOW DOES A DONOR ADVISED FUND WORK?

- 1 Donor gives assets to CCF, who will steward the fund.
- 2 Donor evaluates and recommends grantees/nonprofits with the assistance of CCF.
- 3 CCF distributes grants from the fund to eligible nonprofits.



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 punitive estate taxes on gifts that you and your beneficiaries make to CCF
- Avoid costly capital gains taxes while realizing the maximum tax-deductibility of your donation with a gift of real estate or other complex assets

CONSIDERATIONS

You can use your DAF to recommend grants to any eligible nonprofit organization in the United States or abroad. CCF can help you identify and vet qualified nonprofit organizations outside the U.S. that are eligible to receive grants.

Federal income tax law prohibits DAF funds from being granted to individuals or used when there is material benefit to the donor, a donor advisor or a person related to the donor or a donor advisor (e.g., compensation, expense reimbursement, or charitable event tickets). Funds also cannot be used for donations to political campaigns or related organizations. Further, donors, advisors or related parties are prohibited from receiving grants, loans, compensation or similar payments (including expense reimbursements) from donor advised funds.

WHAT ARE THE MINIMUMS AND FEES?

A Donor Advised Fund may be opened with as little as \$25,000. Grants can be made over time in keeping with your wishes and in any increment you choose.

Administrative fees are assessed quarterly. Investment management and consulting fees related to the foundation's investment pools are charged separately. Additional fees may be charged for any mutually agreed-upon extraordinary legal, banking or other services rendered on behalf of a fund.

ANNUAL ADMINISTRATIVE FEE STRUCTURE

ASSET AMOUNT	RATE*
Assets up to the first \$1,000,000	1.25%
Assets over \$1,000,000 and up to \$5,000,000	0.75%
Assets over \$5,000,000 and up to \$20,000,000	0.50%
Assets over \$20,000,000 and up to \$100,000,000	0.15%
Assets over \$100,000,000	0.05%

*Assessed quarterly (minimum of \$750 per year)

To support individuals through scholarships, CCF offers a range of Scholarship Fund options that may fit your giving goals. CCF manages the largest scholarship program in L.A. County.

To establish an **Donor Advised Fund**, contact Vice President of Development & Donor Relations Teresa Mosqueda at tmosqueda@calfund.org or (213) 452-6298.

IMPORTANT LEGAL DISCLOSURE

The information provided is general and educational in nature. It is not intended to be, and should not be construed as, legal or tax advice.

The California Community Foundation does not provide legal or tax advice. You should consult your tax advisor to properly determine the tax consequences of making a charitable gift to the California Community Foundation.

Contributions to the California Community Foundation represent irrevocable gifts subject to the legal and fiduciary control of the foundation's board of directors.