



ARKANSAS  
community foundation

# Benefits of a Donor Advised Fund

## LOCAL EXPERTISE

We work with nonprofits throughout Arkansas every day and can provide valuable information to assist you in planning your philanthropy, including vetting of nonprofits.

## SIMPLIFIED RECORDKEEPING

We keep track of your donations, provide timely gift acknowledgements and use professional investment managers for assets. You can access your statement 24/7 via our secure website portal.

## TAX TIMING ADVANTAGES

Using a donor advised fund, you can make contributions in years when it's advantageous to do so, and make charitable distributions in subsequent years - without having to add to the fund each year. Each time a deposit is made into your DAF, you will receive a tax deduction according to IRS guidelines.

## FAST AND EASY SET-UP

With our simple agreement and an initial gift, a donor advised fund can be opened in as little as just one business day.

## STRATEGIC GIVING

We offer informational tools, such as [AspireArkansas.org](http://AspireArkansas.org), to provide data on community needs. Partner with us to distribute grants in areas that strengthen the community and beyond.

## PERSONALIZED SERVICE

Whether developing a personal giving plan, guiding your team towards a charitable giving strategy that aligns with your business goals, or engaging younger generations in learning about the importance of giving back – you can create positive change in your community and we can help!

## CREATE A LEGACY

You can name the next generation of advisors to a donor advised fund or endow the fund to continue making grants in perpetuity.

## MODEST FEE

A donor advised fund is less costly than a family or corporate foundation and the annual fee supports Arkansas too!



## ANONYMITY

Your charitable fund can be completely anonymous, or you can choose to determine anonymity on a grant-by-grant basis.

## NO CAPITAL GAINS TAXES ON APPRECIATED SECURITIES

If stocks or bonds you purchased more than a year ago are worth more now than when you bought them, you will not have to pay capital gains taxes on the earnings when used to create a fund at the Community Foundation.

## INCREASED GIVING CAPACITY

When you open a donor advised fund, your initial gift(s) can grow significantly over time. All growth in the fund is tax-free.

## COMPLEX GIFTS

Contact us if you have other assets such as stock, IRA assets, crops, timber, land, real estate, insurance, valuable collectives, or privately held shares you'd like to contribute.



## DAFs at a Glance

A giving tool that provides you with immediate tax benefits, allows you to support the charities you choose, and in on your preferred timing.

Grants can be made to any 501c3 nonprofit organization, house of worship, or public educational institution in the U.S.

Types of DAF	Charitable Distribution Fund	Quasi-Endowed Fund	Endowment
Minimum to Establish	\$1,000	\$100,000	\$10,000
Fee*	2% of contributions into the fund	1.25% of annual fund balance	1% of annual fund balance
Invested?	No	Yes	Yes
% Available to Grant to Nonprofits	100%	100%	4%**

\*The Community Foundation fee structure lowers at break points above \$1 million. See a complete fee chart for relevant fund balances.

\*\*An endowment's annual available spendable is determined by the Community Foundation's spending rate policy, which is currently calculated as 4 percent of the fund's average market value during the past 5 years.

FOR MORE INFORMATION ABOUT CREATING A DONOR ADVISED FUND:

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