

What is a Donor Advised Fund?

Donor Advised Funds are convenient, flexible tools for individuals, families, businesses, or groups that want to be personally involved in suggesting grant awards made possible by their gifts. If you have a range of community interests, you may find that it's an ideal vehicle for fulfilling your charitable wishes, including charities in the greater Williamsburg area and beyond. Donor Advised Funds are typically less costly and easier to administer than other forms of philanthropic giving (such as family or corporate foundations).

Your gift can be combined with others to increase its impact, and you can add to the fund you establish at any time, receiving tax benefits with each new gift. You can establish a fund today and make grant recommendations now or in the future. And if you endow your gift, it becomes a permanent community funding resource.

How does it work?

Locally, the Williamsburg Community Foundation can help you set up a donor advised fund. Here's how it works:

- You make a gift to WCF — you can use cash, appreciated stocks, real estate, or other assets.
- We set up a special fund in your name, in the name of your family or business, or in honor of any person or organization you choose.
- You receive tax benefits the year your gift is made.
- You recommend uses for your fund — working with WCF's professional grantmaking staff to support the agencies and programs you care about most. You may give to any qualified nonprofit throughout the United States. You may also authorize a successor advisor to make recommendations for grants.
- The Foundation handles all the administrative details and issues grants to charities in the name of your fund (if you prefer, distributions can be made anonymously).
- If you wish, your gift can be placed in an endowed fund that is carefully invested and can grow over time; a portion of your fund is then used to address community needs every year.

Is a Donor Advised Fund at the Williamsburg Community Foundation right for me?

Community foundations provide a simple, powerful, and highly personal approach to giving. While there are commercial charitable gift funds available, a community foundation can assist you in finding those organizations that are working in the areas that interest you most. They can also work in tandem with your financial and legal advisors to assist you with your philanthropy today, and in developing your legacy gift for the future. A donor advised fund is a great option if you would like to make a larger gift of appreciated securities, or income from a business or retirement account, but you want the flexibility of sharing that gift with different organizations over time. It is important to remember that a gift to a donor advised fund is a permanent charitable contribution. While you have reserved the right to decide the ultimate recipient of these funds, they cannot be returned to you or used to fund items like fundraising dinners or auction items.

For more information and ideas on ways to integrate your financial planning with charitable giving, ask your financial advisor or contact Williamsburg Community Foundation at 757-259-1660.