

## THE BENEFITS OF ESTABLISHING A DONOR ADVISED FUND

A Donor Advised Fund is a philanthropic giving vehicle administered by a charitable sponsor, such as a community foundation or national charity. The Community Foundation San Luis Obispo County is a grantmaking public charity dedicated to improving the lives of people in the region. We bring together the financial resources of individual community members, families, organizations, private foundations, and local businesses to support the nonprofits that serve and strengthen our communities.

### Establishing and Giving

Community members establish a Donor Advised Fund with an irrevocable, tax-deductible contribution. They receive an immediate tax deduction in the year the contribution is made.

For endowed funds, The Community Foundation manages and invests the funds to increase the amount of the gift over time. The donor may then recommend a grant from those funds—either in the form of one large grant or smaller grants over time—to another charitable organization or cause. The Foundation is here to provide guidance and support to donors in deciding when and where to give.

### Charitable Investment Solutions – Why?

A Donor Advised Fund is an option the Foundation offers that is gaining popularity as a charitable investment vehicle. It is a good solution if you would like to:

- Support your local community
- Give the next generation of children or grandchildren experience in philanthropic giving
- Avoid capital gains taxes from a recently sold business, privately held stock, or other appreciated asset
- Protect your inheritance from federal or state taxes
- Fund a specific charitable cause or organization
- Maximize your giving
- Leave a philanthropic legacy



### About Us

Since 1998, The Community Foundation San Luis Obispo County has been a trusted philanthropic resource for our county. The Community Foundation has supported our county with grants and scholarships totaling more than \$66 million since 1998. The Foundation's assets under management are over \$72 million and provide support to all aspects of our community in perpetuity.

To access our resources, please contact Donor Services at [donorservices@cfsloco.org](mailto:donorservices@cfsloco.org) or call 805-543-2323.



## Questions to Consider

What are the issues, causes, and charities that you feel passionate about?

How would you prioritize them?

Which of your past charitable gifts have given you the most satisfaction?

Given your other commitments, how much time do you have to devote to charity?

Which levels of recognition and visibility interest you?

To what extent would you like to get your family involved in your giving?

Would you prefer to give during your lifetime or after your death?

What values would you like to pass on to your descendants?

Would you like to leave a charitable legacy to perpetuate your values?

## Cash and Non-cash Assets

One of the most popular reasons to open a Donor Advised Fund is to deposit assets that support the community while avoiding capital gains taxes. The Community Foundation can accept both cash and non-cash assets such as:

- **Stock** - Including publicly traded stocks, mutual funds, bonds, private or restricted stocks, partnership interests, and pre-IPO shares
- **Life Insurance** - You can name the Donor Advised Fund as the beneficiary of an existing policy
- **Will or Living Trust** - You may name your fund as the beneficiary of either a percentage of your estate or a specified dollar amount from your estate
- **Charitable Remainder or Lead Trusts** - You may name a Donor Advised Fund as the beneficiary

## As a Partner

With more than 20 years of service in San Luis Obispo County, we partner with a variety of nonprofits in the area. Our Donor Services and Grants team members work with donors to create solutions tailored to meet their specific interests. The Foundation is proud to differentiate our solutions inspired by the following:

- Deep roots in this community
- Ability to award grants for charitable activities locally, nationally, and internationally
- High-quality personal service
- Expert advisors in philanthropy
- Ensure tax advantages through charitable giving
- Connecting you with like-minded charitable peers
- Leading education on the work being done by local nonprofit agencies
- Honoring your legacy
- Guiding the giving process

