

## **DONOR-ADVISED FUNDS**

Donor-Advised Funds are charitable giving vehicles described in §4966 of the Code. A donor contributes cash or other approved assets to a segregated fund maintained by a Foundation from which the person making the gift may make recommendations for grants (distributions) to charities at any time. All grant recommendations are subject to approval by the Foundation, which retains exclusive legal control and discretion in accordance with applicable IRS regulations.

The program enables individual Donor-Advised Funds to operate efficiently, and at minimal cost, while still allowing for great flexibility in investment options. Normally, a segregated account is kept for each Fund that reflects contributions, investment return and grants made.

Donor-Advised Funds offers numerous advantages to the donor, including:

- The donor may claim an immediate tax deduction for contributions made;
- The donor may contribute appreciated assets, thereby avoiding capital gains;
- The donor can make grant recommendations to support public charities based on the value of the Donor-Advised Fund;
- The donor may recommend grants to multiple charities;
- The donor may request anonymity in connection with recommended charitable grants from a Donor-Advised Fund;
- No tax reporting is required by the donor;
- Donated assets may appreciate in value after their transfer to the Foundation;
- The donor may recommend an investment advisor to manage the assets in a Donor-Advised Fund; and
- The program represents a cost-effective alternative to creating a private foundation.

## **CONTRIBUTIONS ARE IRREVOCABLE**

Once the Foundation accepts a contribution, the gift is irrevocable and may not be refunded. All accepted gifts become the exclusive legal property of the Foundation.

*For more information please contact Windsor Capital Management at 480-515-3514.*