ARIZONA COMMUNITY FOUNDATION

What Is a Donor Advised Fund?

Donor Advised Funds (DAFs) are currently the **fastest-growing** and **most popular structured charitable giving vehicle** in philanthropy. They are one of the simplest and most tax-efficient ways to give. You make an irrevocable gift of cash or assets and receive an immediate tax deduction. Assets are sold and the cash is invested, giving you the flexibility to recommend grants to qualified charitable organizations you care about when it aligns with your goals.

Arizona Community Foundation handles the administration, recordkeeping, and grantmaking, so giving stays simple. **Think of it as your own charitable giving account, backed by a trusted local partner.**

A SIMPLE, TAX-SMART WAY TO GIVE

IMMEDIATE
Receive a charitable tax deduction in the year you make your contribution.

CAPITAL GAINS SAVINGS
Donate appreciated assets and potentially reduce capital gains exposure.

SIMPLIFIED
Consolidate your giving and receive one tax receipt for easier record keeping.

TAX-FREE GROWTH
Invest charitable assets for potential tax-free growth over time.

STRATEGIC
Bundle several years of giving into one contribution to maximize potential tax advantages.

ACF donor advised funds offer flexible options for giving, investing, and building a charitable legacy.

How It Works

GIVE
Contribute cash or appreciated assets. You may receive an immediate charitable tax deduction.

GROW
Your charitable assets will be invested for potential tax-free growth through ACF's professionally managed investment options or with your personal investment advisor.

GRANT
Recommend grants to eligible nonprofit organizations locally, nationally, or internationally on your timeline.

WHAT CAN I GIVE?

Cash is the most common gift, but flexibility is one of the biggest advantages of a DAF. By giving appreciated assets, you can potentially avoid capital gains tax and put more toward the causes you love. Assets are sold and proceeds are invested. ACF provides professional guidance and partnership to maximize the value of a wide range of assets, including, but not limited to:

Cash · Stocks · Bonds · Real estate · Retirement assets · Private business interests · Private equity · Mutual funds and ETFs · Life insurance · Cryptocurrency

GIVING SOLUTION: **DONOR-ADVISED FUND**

Comparing Your Options

A common question is, "What is the difference between a community foundation fund, a private foundation, and a commercial gift fund, run by a for-profit financial institution?" When you compare them side by side, the value of giving through ACF becomes clear. Not only do our fees stay in Arizona, but your giving is backed by local expertise and insight into the causes that need you most.

Benefits for Charitable Giving	ACF	Private Foundation	Commercial Gift Fund
No up front cost	Yes	No	Yes
Annual 5% payout required	No	Yes	No
Grant anonymously	Yes	No	Yes
Maximum tax benefits	Yes	No	Yes
Grant and admin services	Yes	No	Yes
Fees reinvested into community	Yes	No	No
Network with local donors	Yes	No	No
Local philanthropic advisors	Yes	No	No
Education events	Yes	No	No
Maximum control	No	Yes	No

Understanding Fees

Every charitable sponsor charges administrative fees, but not all fees work the same way. At commercial gift funds, fees often become revenue that benefits shareholders. Our fee schedule is cost-effective and competitive. Fees stay right here in Arizona to make our state a better place.

They cover the services behind your giving, such as grant due diligence, tax receipting, and nonprofit research, and they help fund the community investment strategies that set a community foundation apart. You can view our current fee schedule at azfoundation.org/fees.

How to Get Started

Opening a DAF at ACF is simple, and you are never on your own. You can get started in as little as one meeting with a member of our professional staff. Opening fund minimum is $25,000. Once your fund is open, you are paired with a dedicated relationship manager who provides ongoing support, helps you think through charitable goals, and makes sure your philanthropic wishes are met. As your giving grows and evolves, so does our support.

Receive professional support for...

- Family philanthropy
- Legacy planning
- Values discovery and alignment
- Charitable mission and goals
- Impactful giving strategies

Ready to begin? Call 602.381.1400 or email info@azfoundation.org to be connected to a local philanthropic advisor. Learn more at azfoundation.org.

Community is our Middle name. Thank you for being a part of ours.

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