



Guide to Donor Advised Funds

Donor Advised Funds are an easy and flexible way to support the faithful charities that you love. These funds are like charitable savings accounts for individuals or families. A donor contributes to the fund as frequently as they like and watches as their charitable investment grows tax-free. The donor receives immediate tax benefits and can recommend grants to their favorite charity whenever they are ready.

Donor advised funds are the fastest growing form of charitable giving and offer numerous benefits to donors:

- Immediate tax benefits with a single tax receipt
- Maximum tax deduction
- Ability to contribute non-cash assets/shares of stock
- Continued investment of contributions over time
- Tax-free growth
- Easy management of gifts and grants



Getting Started: How to Set Up a Donor Advised Fund

1. Families or individuals work with the Catholic Foundation or your financial advisor to create the Donor Advised Fund agreement at the Foundation.
2. Choose the name of the fund, the fund advisor or advisors (the individuals who make distribution recommendations), and a charitable beneficiary or beneficiaries who would receive money in the fund upon the fund's closing.
3. Make the initial contribution to the fund of at least \$5,000 by way of personal assets (cash or stocks)
 - You immediately receive the maximum tax deduction possible
 - Your contribution is invested and grows tax-free.



Living Generously: Making Grant Recommendations from your Donor Advised Fund

- At any time, you can recommend grants/gifts from your account to your favorite 501c3 charity.
 - Recommend grants for your selected charities on your own schedule with the convenience of your donor portal, which offers the ability to make grant recommendations online.
- You can choose to support a specific organization such as a Catholic parish, school, or social service organization within the United States, or you can support non-Catholic organizations that are working in line with Catholic teachings.
- Each grant recommendation is reviewed in detail by the Catholic Foundation, to ensure that the beneficiary is in agreement with Catholic values.
- Donation requests are processed frequently, meaning you can respond to emergency situations or to new charitable opportunities that arise.
- The Catholic Foundation staff offers complimentary guidance and consultation on how to give more strategically and how to magnify the impact of your giving.

Enjoy Peace of Mind

- The Catholic Foundation handles all administrative responsibilities, giving you more time to focus on your charitable giving, the ability to remain anonymous and more simplified tax record keeping.
- All funds are invested in accordance with the United States Conference of Catholic Bishops guidelines for Socially Responsible Investments.
- An individual may continue to donate to the donor advised fund after the initial donation to establish the fund. If you desire, your fund can become public so anyone can donate to the donor advised fund after it is established.
- Quarterly statements will be sent to you regarding the balance and activity of the fund.
- Contact the helpful Catholic Foundation staff at any time if you have questions.

We invite you to prayerfully consider a Donor Advised Fund with The Catholic Foundation of Michigan. Together as people of faith, we can spread the Light of Christ and make a difference in the lives of many, for generations to come!

*If we wish to serve God and love our neighbor well,
we must manifest our joy in the service we render to God and them.
Let us open wide our hearts. It is joy which invites us.*
St. Katharine Drexel