

Donor Advised Fund Endowment



A donor advised fund (DAF) is a giving vehicle that provides you with an immediate tax benefit and the ability to support nonprofits of your choice on your timetable. An endowed DAF at the North Carolina Community Foundation is prudently invested and complies with our endowment spending policy, set with the goal of preserving your gift and providing perpetual support to the nonprofits you choose.

Benefits of a Donor Advised Fund

Flexible Charitable Giving and Granting

- Immediate tax deduction for gifts you make into your fund
- Give complex or unique assets to your fund at fair market value such as real estate, closely-held stock, life insurance
- Administrative convenience through consolidation of management and tracking of tax receipts associated with charitable giving
- Grant anonymously if you choose
- Maximum of 5% available for annual grantmaking, calculated by using a 12-quarter trailing average of fund balance
- Make grant recommendations and access your fund's giving and grantmaking history anytime through your online fund portal
- NCCF encourages annual grantmaking from DAFs but does not require it, allowing fundholders the flexibility to withhold grantmaking to achieve a particular goal or greater charitable impact

Investment Expertise

- Contributions to your fund are stewarded by our expert investment committee and professional managers to ensure your fund's longevity and growth

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How it Works



GATHER



GROW



GRANT

- ✓ Name and establish your fund by executing a fund agreement with NCCF.
- ✓ Make a gift of cash or other assets of at least \$25,000 to NCCF start your fund.
- ✓ Choose your investment pool and our team will invest your assets prudently.
- ✓ Up to 5% of fund available for annual granting to nonprofits.
- ✓ Recommend grants from your fund that are promptly reviewed and acted upon.
- ✓ Receive grantmaking support, education, and expertise from NCCF philanthropic advisors.
- ✓ Add to your fund at any time, including through your estate.
- ✓ Define a succession plan that provides permanent stewardship to your fund, by engaging future generations of your family as advisors or engaging NCCF or one of our affiliate foundations as a successor advisor.

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- Investment management and administrative costs are kept to a minimum, so your contribution supports programs rather than overhead
- Through the power of endowment and time, a \$50,000 gift to NCCF can produce nearly \$189,000 in grants, and still grow to a balance of more than \$134,000 in 50 years (based on 8% returns and 5% spending)

Impact

- Directly participate in philanthropy by recommending grants to organizations you'd like to support in your local community, North Carolina, and beyond
- Receive research services from NCCF team prior to grant approval, ensuring non-profit good standing and compliance with grant parameters
- Philanthropic expertise from a dedicated NCCF staff member around the fundamentals of grantmaking and advice on specific grantmaking strategies to support the fulfillment of your charitable goals.

Family Involvement and Legacy

- Philanthropic consultation services offered to facilitate family involvement and develop a family philanthropy plan
- NCCF expertise and support offered around planned giving, including bequests through your will or trust, a charitable trust, life insurance, and retirement assets
- If desired, build your family's legacy through a succession plan that names your children and grandchildren as future advisors.
- Define how your fund will be used after you and your family are no longer advisors

Minimums and Fees

A DAF endowment may be started with a minimum gift of \$25,000. NCCF support fees help advance our charitable mission, are reinvested back into our community, and enable us to provide you with robust donor services. Support fees are assessed monthly based on the schedule below. Investment management and consulting fees related to NCCF's investment pools are charged separately.

ANNUAL SUPPORT FEE SCHEDULE

ASSET AMOUNT	RATE*
< \$1 million	1%
\$1 million and up to \$3 million	.75%
\$3 million and up to \$10 million	.50%
\$10 million and above	.25%

*Assessed monthly (minimum of \$250 annually).

Let's get started.

Contact the Development Officer in your region today, and we'll answer your questions and help you with next steps.

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