

Donor Advised Funds Summary For Financial Advisors

Add long-term value to your practice by helping your clients reach their charitable dreams



Donor Advised Funds

A simple, smart and meaningful strategy for creating your clients' charitable legacy – a way to ensure that they will be remembered.

- Donor Advised Funds are the most popular philanthropic tool in America today.
- The donor contributes a wide range of asset types to a named fund at HCF.
- The gift qualifies for immediate and maximum tax benefits
- The assets are placed in an **investment account which you manage on your platform.**
- The donor recommends grants to favorite charities at their convenient time.
- The fund can go on as the family's charitable legacy over successive generations.
- Donor Advised Fund is an attractive alternative to a private foundation.

Benefits

- Immediate and maximum tax benefits
- Simple and quick set-up – \$10,000 minimum*
- HCF handles the administration and IRS reporting
- Accepts cash, marketable securities, restricted stock, closely held stock, real estate, and life insurance policies
- Works well as beneficiary of a bequest, life insurance, IRAs, Charitable Remainder Trusts and Charitable Lead Trusts
- Can support any eligible charity in the country
- An effective parenting or grand parenting tool to pass on values
- HCF offers a level of flexibility and personalization not available in most other programs

*Horizon DAF now available - \$2,500 minimum

(continued)

Typical Donor Scenarios

A Donor Advised Fund can be a solution for clients who:

- Experience an extraordinarily high income year or are approaching retirement
- Struggle with potential taxes involved with selling a highly appreciated asset
- Question how best to support several charities over a number of years through one gift
- Prefer flexibility to change their charitable beneficiaries over time
- Want to engage spouse, children, and grandchildren in charitable giving as a way to pass on family values
- Are concerned about the time and complexity in gifting appreciated investment assets to more than one charity
- Have fluctuating income making it hard to maintain a steady level of giving
- Are concerned about the cost, complexity and lack of privacy of a private foundation
- Understand that a large gift might overwhelm their favorite charity



...and so will your legacy make a difference in the lives that follow.

Your clients may consider a Donor Advised Fund if they:

- Want to ensure that they, or someone they love, will be remembered
- Want to ensure that their charitable legacy carries on over successive generations
- Want to pass on the family values of charitable giving to their children and grandchildren
- Want to create their charitable legacy now and fund it while living and/or at the time of their death.
- Want the best tax benefits available
- Appreciate creative solutions for tailoring your client's charitable legacy in simple, smart and meaningful ways
- Want the assurance that you, as their trusted advisor, remain involved

Why HCF

- Independence – HCF is not affiliated with a financial service or mutual fund company and does not limit investments to proprietary pools of mutual funds.
- Donors can recommend that **you manage investments on your familiar platform.**
- Experience - Established in 2000, HCF is governed by an all-volunteer Board of Directors and is confirmed in compliance with the National Standards for Community Foundations.
- HCF offers individualized, local concierge-level service.
- Administrative fees help support your Community Foundation
- Your clients can select successor advisors allowing the fund to continue over multiple generations.

Five Easy Set-up Steps

1. You help your client complete HCF's Donor Advised Fund application.
2. HCF completes and signs your firm's investment account application paperwork (in the name of HCF fbo ____) including your firm's investment advisory agreement.
3. A new investment account is created on your preferred platform.
4. Client authorizes the transfer of assets to the new HCF investment account.
5. HCF sends client a gift receipt letter and instructions for making grants. You and your clients receive quarterly statements.

Contact Information:

Lisa Drew 330-655-3580

lisadrew@myHCF.org

Phil Tobin 330-655-7552

philtobin@myHCF.org

49 East Main Street

P.O. Box 944

Hudson, Ohio 44236

