

DONOR-ADVISED FUNDS

What is a donor-advised fund (DAF)?

A DAF is a method of giving that has become increasingly popular for its convenience and tax-efficiency, without the expense of setting up a private foundation. DAFs provide donors with a way to centralize their philanthropic giving, while advising the investment of the funds, allowing them to grow and have a greater impact.

How does a DAF work?

Individual donors or families make an irrevocable gift of cash, appreciated securities, or other assets to a charity that sponsors a DAF program, such as The Chicago Community Trust, Fidelity, Schwab, or others. Donors choose from a variety of investment options and the earnings are put into an account from which the donor can recommend nonprofit recipients.¹

How do I get started with a DAF?

Contact your financial advisor or tax professional for recommendations and advice about where to set up your DAF and how to maximize its benefit to you and the organizations you care about. To recommend CTS as a recipient of your DAF grants, contact your DAF sponsoring organization and provide the information listed at ctschicago.edu/ways-to-give under the DAF section. Plea

More questions?

Contact the Office of Advancement for more information at 773.896.2430 or by email at advancement@ctschicago.edu.

¹ <http://dafdirect.org/DAFDirect/popups/Donor-Advised-Funds-FAQs.pdf>