



# Give through ACT to Invest in Your Community

ACT for Alexandria is a local community foundation committed to strategically building the capacity of nonprofits and strengthening relationships of donors with the nonprofit community. We do this in part, by managing more than 80 donor advised funds which help individuals leverage ACT's expertise and knowledge to make strategic investments in our community.

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## What is a Donor Advised Fund (DAF)?

**A donor advised fund (DAF) is a simple and personal way to give charitably.** They are like a charitable bank account where you control when and how much you give to the causes you care about anywhere in the world. Starting or adding to a DAF can offer immediate benefits when you have a wealth event or need flexibility in your giving. You, and your professional advisor, can decide how the funds will be invested from a variety of options.

## What are the benefits of a donor advised fund?

**Tax Benefits:** You receive an immediate tax deduction for the value of the assets you deposit into your fund. You also avoid capital gains tax when you donate appreciated assets, such as publicly or privately held stock, real estate, mutual funds, or life insurance. All earnings in your donor advised fund grow tax-free.

**Simple, flexible, powerful:** Donor advised funds are **simple to set up**, require no annual tax reporting, have no minimum distribution requirements, grow tax-free, and allow you to decide how and when to donate to causes important to you.

**Accommodates wealth events:** DAFs offer flexibility as you encounter a wealth event and need flexibility and time to make decisions about where, when and to whom you will make a donation. Fund holders may make donations over many years.

**Legacy of giving:** You can establish a giving plan and involve your children and grandchildren in the charities you support.

**Easy:** You have online access to your donor advised fund, can request donations online, and can set up recurring grants or donate to whomever and whenever you want. Establishing a donor advised fund allows you to have resources set aside for when you have a charitable donation you'd like to make. **A donor advised fund can be set up for as little as \$10,000.**

## What are the advantages of a donor advised fund vs. a family foundation?

Both are charitable vehicles for making donations of your choice in your community. The difference is in administration. Whereas, a family foundation requires tax, legal and other advisors both for set-up and for ongoing administration, **a donor advised fund has no start-up costs, does not require a minimum payout amount, and offers simplicity of one-stop tax reporting.** Donor advised funds can be named anything you want, often times providing an added layer of privacy to your giving.

## Why open a Donor Advised Fund with ACT for Alexandria?

Donor Advised Funds are offered through many financial services corporations, but opening one through ACT for Alexandria offers you much more:

**Local and personal:** ACT is Alexandria's community foundation, with a team ready to work with you. ACT has expertise in strategic issues related to best practices for nonprofit organizations and has established relationships with local nonprofit organizations. ACT helps engage fund holders with nonprofits involved in issues that matter to you, whether in Alexandria, or elsewhere.

**Your assets, your choice:** You can **continue to use your professional advisor** to advise you on your donated assets. You can manage your account online or connect with one of ACT's staff, deciding where and when to make donations, add to your fund or support ACT directly.

**Trusted partner:** ACT works regularly with **more than 156 local charities** and has **helped direct donations of more than \$15 million dollars** to address local issues. **With more than \$14 million in assets, and 14 years working locally**, ACT supports the community in a variety of ways to improve the coordination of nonprofit services, strengthening nonprofit practices and allow these vital organizations to do what they do best while directing interested donors to help where the needs exist.

**Connections:** ACT offers an immediate connection to a vibrant donor community and philanthropic network. We look forward to supporting you as you make decisions about engaging locally and achieving your philanthropic objectives.

## What else does ACT for Alexandria offer?

ACT staff and board members are committed to best practices in our community around support for nonprofits. Together they convene donors and city and community leaders to help you make the best and most informed giving decisions. You continue to control where your gifts go, but you have the opportunity to give to make a collective impact with other donors.

## How do I get started?

ACT for Alexandria Donor Advised Funds offer you a unique opportunity to give and invest locally with identical benefits to other donor advised funds. To learn more about ACT or to inquire about opening your fund, please visit [www.actforalexandria.org](http://www.actforalexandria.org) or call ACT at 703 739-7778.



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resources into results since 2004**

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