



COMMUNITY
FOUNDATION OF UTAH



Donor Advised Funds

A donor advised fund (DAF) is a charitable giving account set up through a philanthropic institution, such as a community foundation or public charity. The Community Foundation of Utah (CFU) manages individual DAFs in which donors take on an advisory role. Donors are able to recommend grants to causes within organizations they care about and CFU will distribute the funds to the intended grantee.

What are the advantages to setting up a donor advised fund?

DAFs are one of the most tax-advantaged ways to accomplish your charitable giving goals. When an individual contributes to a donor advised fund, the donor is able to receive an immediate tax deduction then make grant recommendations to qualified 501(c)(3) public charities. Donors have the option to invest the funds from their DAF in order to grow their charitable dollars, tax-free.

Additionally, DAFs offer flexibility - donors can use cash, securities, or other assets to fund their DAF. Donors are able to give to a plethora of qualified 501(c)(3) organizations that are domestically domiciled. Because the CFU manages the DAF, the responsibility to vet organizations and facilitate the transfer of funds does not fall on the donor.

Who can create a donor advised fund?

The minimum funds required to establish a DAF vary between institutions, but because of the comparatively small amount required to create a DAF as opposed to other giving fund types, they are an accessible way for a donor or donors to pool their resources to accomplish their charitable goals. Donors can set up joint advisors or successors to involve family members or other individuals in the advisement of their DAF. Reach out to donor@utahcf.org to learn more on account minimums and fee schedules.

How do donor advised funds impact the community?

Donors are able to use their DAF to react quickly to emergent needs in the community. The opportunity to give to diverse organizations and create more specified grants allows donors to make impactful contributions when and where they are most needed. In order to ensure that every charitable dollar is put to good use, the fees collected from CFU's DAFs are used to support the community through our [social sector leadership programs](#).