



DONOR ADVISED FUNDS



FAMILY PHILANTHROPY MADE EASIER

Creating a Donor Advised Fund (DAF) with the Jewish Federation Foundation of the Jewish Alliance of Greater Rhode Island is a great way to build a tradition of family philanthropy. The Jewish Federation Foundation (JFF) will handle all administrative matters, allowing you and your family to focus on the charities that are important to you.

**A GREAT CHOICE FOR
ALL KINDS OF
PHILANTHROPISTS**
Among our satisfied DAF
program participants are:

- Newlyweds eager to practice *tzedakah* together and make philanthropy part of their lives.
- A three-generation family who want to focus on the organizations they care about, rather than on paperwork.
- A generous community leader who makes dozens of grants but wishes to receive only one tax receipt.
- A former family foundation president who has simplified his record keeping and protected his anonymity by transferring his foundation assets into a DAF.

WHAT IS A DONOR ADVISED FUND?

A DAF is a charitable giving fund you establish with the Jewish Federation Foundation. After completing a simple enrollment application, you make an irrevocable gift of cash or other assets in the amount of \$2,500 or more. You can add to your fund at any time. Your fund is invested with the Jewish Federation Foundation's endowment, which is invested as part of the Rhode Island Foundation's portfolio. Then you can begin recommending grants to your favorite Jewish charities and other nonprofit organizations, to the Jewish Alliance of Greater Rhode Island, or even to fulfill your synagogue dues -- any U.S. 501(c)(3) organization. Each grant recommendation is carefully reviewed to ensure compliance with IRS regulations and JFF policies. Grant recommendations are processed on a weekly basis. Additionally, JFF will offer you access to the online donor portal and provide biannual reports detailing all fund activity.

A TRADITION OF GIVING

A DAF gives your family the opportunity to practice philanthropy together. You may name up to four grant advisors for your fund, including your adult children or grandchildren. You may also name successor advisors to ensure that your legacy of giving is continued from generation to generation.



DAF Granting Guide

Yes to:

- Annual gift to Jewish Alliance of Greater Rhode Island
- Synagogue dues/membership
- Any U.S. public charity

No to:

- Paying for goods or services such as event registration or school tuition
- Charities based overseas (but their U.S. fundraising arms are allowed)
- Civic leagues, social clubs, labor organizations and business leagues

These distinctions are dictated by the IRS. If you don't know if an organization is a 501(c)(3), you can ask them or JFF.

A FOUNDATION ALTERNATIVE

If you are tired of the administrative burdens involved in a family foundation, consider a DAF. JFF will handle all the paperwork, take care of compliance issues, and ensure your complete privacy and confidentiality. JFF professional staff will be available to provide you with efficient, personalized service.

Unlike a family foundation, a DAF incurs no ongoing legal fees, no tax preparation fees, and no excise taxes. DAFs don't impose any annual distribution requirements; foundations are required to make a minimum 5% annual distribution—even during a down market. Contributions to your DAF are tax-deductible in the year they are made and are also eligible for more generous tax deductions than are available to private foundations.

FOR MORE INFORMATION:

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