

# Guidance for Establishing a Donor-Advised Fund

Date: [Insert Date]

Dear [Donor's Name],

We are pleased to provide you with guidance on establishing a donor-advised fund (DAF) to support your philanthropic goals.

## 1. Understanding a Donor-Advised Fund

A donor-advised fund is a philanthropic vehicle that allows you to contribute assets, receive immediate tax benefits, and recommend grants over time to your favorite charities.

## 2. Steps to Establish Your Fund

1. **Select a Sponsoring Organization:** Choose a community foundation or a financial institution that offers DAFs.
2. **Complete the Application:** Fill out the necessary forms provided by the sponsoring organization.
3. **Fund Your Account:** Make an initial contribution to establish your fund.
4. **Make Grant Recommendations:** After your fund is established, you can recommend grants to qualifying charities.

## 3. Benefits of a Donor-Advised Fund

- Immediate tax deduction upon contribution.
- Flexibility in grant-making over the years.
- Investment growth potential within the fund.

If you require additional information or assistance during the process, please do not hesitate to contact us. We look forward to supporting you in achieving your philanthropic objectives.

Sincerely,

[Your Name]

[Your Title]

[Your Organization]

[Contact Information]