



## Donor Advised Fund FAQs

### What is a donor advised fund (DAF)?

A donor advised fund (DAF), which is similar to a charitable savings account, gives you the flexibility to recommend how much and how often money is granted to The American College of Finance Services and other qualified charities.

To create a DAF, you may complete a written agreement at a community foundation or other sponsoring organization. You then make a contribution to the fund, which you can add to at any time. The sponsoring organization invests your funds and you periodically request that charities of your choice, such as The American College of Financial Services, receive a distribution from your DAF.

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

- When you create a DAF by **bundling** several years' worth of charitable giving into one year and then distributing those funds over several years, you can take a large itemized tax deduction in the year the DAF is created and then enjoy the benefits of the recently increased standard deduction in subsequent years.
- You **eliminate capital gains taxes** when you transfer long-term appreciated assets directly to the DAF.
- You **no longer have to retain records** for each grant recommendation as the DAF administrator does that for you.
- Families can build a tradition of giving by **involving children in the decisions** about what important causes to fund.
- You can also **create a lasting legacy** by naming your loved ones as your successor to continue to recommend charitable organizations, or name The American College of Financial Services to receive all or part of the account balance after your lifetime.

### Steps for making a gift to The American College through DAFpay\*:

- **Step 1:** At the bottom of the online giving form, donors will select DAFpay as their payment method. Visit <https://www.theamericancollege.edu/support-our-mission>
- **Step 2:** Donors login to the DAF provider of their choice.
- **Step 3:** Donors will review their DAF balance and can modify their payment amount.
- **Step 4:** Donors are directed to the post-payment form after they have submitted their gift.

\*Donors cannot use DAFpay in the following circumstances:

- When setting up a recurring gift
- When accepting an incentive



- When establishing a match or challenge gift

**More questions?**

- Please reach out to the Advancement and Alumni Relations Office at [Advancement@theamericancollege.edu](mailto:Advancement@theamericancollege.edu).