



## CONSIDER A DONOR ADVISED FUND

A way for you to support Columbus Academy—and your other philanthropic interests—with one account that grows tax free.

Many donors over the past few years have discovered the ease and simplicity of Donor Advised Funds (DAF). You can think of a donor advised fund as a charitable savings account that grows tax free.

You can establish a donor advised fund with a local community foundation or any number of national brokerage firms. The minimum amount required to open a fund can be as low as \$5,000.

To establish a donor advised fund, you can use cash, stock or other assets, and you receive an income tax deduction in the year you open your DAF. If you use appreciated stock to set up the fund, you benefit as well from eliminating capital gains tax on your appreciation.

**See reverse for real-life donor scenarios of donor advised funds at work.**

Thank you for supporting Columbus Academy!

# CASE STUDIES: Donor Advised Fund

**Example 1:** Chris Smith and his spouse have been unable to itemize their taxes since the standard deduction was increased. In 2019, they received a small inheritance and decided that itemizing would be beneficial for them. They transferred \$25,000 cash to open a donor advised fund at The Columbus Foundation, and were able to take a charitable deduction when filing their 2019 taxes. Additionally, they have worked with the Foundation to invest their funds, which will grow over time.

The Smiths are excited to involve their children in selecting the charities that the family will support each year. To disburse funds, they simply email or call their DAF manager to request a check be sent to Academy and other charities of their choosing.

**Example 2:** In 2018, Andy transferred \$50,000 of appreciated stock into a donor advised fund, and took a charitable deduction on his taxes. The funds have grown a bit, which is great.

Next year, Andy's graduating class is celebrating their 50<sup>th</sup> reunion, but he is now retired and keeps a close eye on expenses. Andy is still able to make a significant gift in honor of his reunion by using monies from his donor advised fund, since using these funds does not affect his regular cash flow.

Andy has decided to make a special contribution of \$10,000 to Columbus Academy for his reunion, and he simply contacts his DAF manager and requests that a check be sent to Academy.

We are here to help you create an **Academy Legacy** that is **unique to you**. Our office is happy to work with you and your family to **meet your philanthropic needs and goals**.

Please contact Erich Hunker '81, Assistant Head of School, Development/External Relations by phone at 614.509.2226 or via email at [hunkere@columbusacademy.org](mailto:hunkere@columbusacademy.org).

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