

INVESTED DONOR ADVISED FUND

Donor Advised Funds (DAF) have become the most sought-after way for donors of all types to achieve their philanthropic goals. Opening a DAF at CAF America is an efficient and cost-effective way to conduct both domestic and international grantmaking through a single fund, and it eliminates the considerable time and expense required to establish and maintain a Private Foundation.

For donors wishing to grow the impact of their contributions over time, CAF America offers the option of establishing an Invested Donor Advised Fund (IDAF). With the IDAF, you may recommend investment allocations based on your appetite for risk and goals for growth. IDAFs at CAF America enable donors to receive immediate tax benefits while providing the opportunity to contribute even more to their preferred organizations in the future.

CAF America partners with Merrill Lynch Investments to offer our donors access to four research-backed Model Portfolios of Exchange Traded Funds (ETFs). Our investment options are ranked “conservative” to “moderately aggressive” and allow donors to choose a strategy that best fits their philanthropic mission and goals.



GIVE WITH CONFIDENCE

CAF America’s industry-leading due diligence protocols for vetting international and domestic organizations ensure that all of our grants are made to legitimate charitable programs, that funds are used for their intended purposes, and that our grantees are in full compliance with all U.S. and local laws and regulations. We take on all risk, reputational exposure and administrative burden associated with international grantmaking, while allowing our donors to make impactful, cost-effective and tax-advantaged gifts with full confidence. With CAF America’s vetting and due diligence protocols, approved organizations remain eligible for one to three years.

ADVANTAGES

- Avoid Capital Gains Taxes on invested donations
- Receive unlimited and immediate tax receipts on all contributions
- Select from four different Model Portfolios to find the one that best meets your grantmaking time horizon and philanthropic mission.
- Donate complex and illiquid assets such as privately held stock, securities, real estate, & art
- Secure and verifiable grant distribution
- See distributions to the charities of your choice within one week of making your grant suggestions
- Access to our online DonorView Portal to manage your fund, track its balance, and make grant recommendations
- Benefit from CAF America’s 25 years of international grantmaking experience and expertise

PRICING

MINIMUM BALANCE: \$25,000

ANNUAL ADMINISTRATIVE FEE:

Charged quarterly for accounting and reporting expenses.

First \$500,000 = 1%

Next \$500,000 = 0.75%

Next \$4,000,000 = 0.5%

Above \$5,000,000 = 0.35%

INTERNATIONAL GRANTMAKING FEE:

Grants are **aggregated annually**, allowing you to benefit from breakpoints. Charges are made per grant as grant is awarded.

5% of the first \$500,000

3% of the next \$500,000

1% of the next \$2,000,000

0.5% of any additional amount

INTERNATIONAL VETTING FEE (Expenditure Responsibility): \$500 per new international organization

INTERNATIONAL PRE-VETTING (Expenditure Responsibility): \$750 per new international organization not accompanied by a grant

DOMESTIC VETTING FEE: \$75 U.S. Standard | \$250 U.S. Enhanced

IDAF INVESTMENT OPTIONS

CAF America works with expert advisors at Merrill Lynch Investments to offer you four Model ETF Portfolios in which to invest your charitable dollars. Our carefully-selected portfolios follow indices that include cash-on-hand, Fixed Income, U.S. Equity, and International Equity. The specific breakdown of each portfolio's assets is determined by the Merrill Lynch Research Investment Committee, and revised at the end of each Fiscal Quarter. Detailed holdings and quarterly/annual returns for each investment option are available on request.

CONSERVATIVE PORTFOLIO

Recommended Grantmaking Time Horizon: Less than 2 years

The Conservative Portfolio is made up primarily of cash-on-hand and Fixed Income ETF assets, with a small proportion (less than 10%) invested in equity to limit exposure. CAF America recommends this option for donors looking to exhaust their donations within two years, as it is primarily designed to preserve the principal investment while adding marginal value.

MODERATELY CONSERVATIVE PORTFOLIO

Recommended Grantmaking Time Horizon: 2-5 Years

The Moderately Conservative Portfolio is made up of roughly 60% Fixed Income investments such as Treasury, Corporate, and Currency Bonds, but has increased exposure through U.S. and International Equity assets. CAF America recommends this option for donors looking to exhaust their donations within 5 years but are uncomfortable with unnecessary risk, as it offers guaranteed steady income with limited potential for larger growth.

MODERATE PORTFOLIO

Recommended Grantmaking Time Horizon: 2-5 Years

The Moderate Portfolio keeps the majority of its assets in Equity, but maintains roughly 40% of its value invested in Fixed Income assets to ensure a measure of stability. CAF America recommends this portfolio to donors looking to exhaust their donations within 5 years, but are willing to accept a certain level of risk for the potential of future growth in their donation volume.

AGGRESSIVE PORTFOLIO

Recommended Grantmaking Time Horizon: 5 years or longer

The Aggressive Portfolio is designed for individuals seeking serious capital appreciation of the assets they invest in their Invested Donor Advised Fund. Accordingly, it allocates a larger proportion of its funds to higher risk investments, in the U.S. and International Equity markets. CAF America recommends this option to donors who are investing in the long-term, and wish to give much and give often.

OPTIONAL SERVICES

In addition to these investment options, CAF America offers donors the following optional services, available on request:

- **Customized Due Diligence:** CAF America offers the flexibility to tailor its organizational vetting and compliance protocols in order to meet your specific requirements, while still ensuring that all U.S. laws and local government regulations are met.
- **Grantmaking Advisory:** Do you have a particular cause, population, or geographic region that you would like to benefit through your giving, but don't know how to get started? CAF America can help. Speak to us about structuring your grantmaking so that your donations are going to the organizations that best fit your philanthropic mission.
- **Impact Reports:** In addition to ensuring that your funds are utilized for the intended charitable purposes, CAF America can collect data from recipient organizations that better enable donors to measure the impact and evaluate the effectiveness of their charitable giving.
- **Equivalency Determination (ED):** In those cases where ED is best suited based upon the donor's gift, such as when planning to fund the purchase of capital assets or establish an endowment, CAF America will undertake the comprehensive protocols necessary to ensure that your gift adheres to ED provisions.

LEARN MORE

For more information regarding how establishing an IDAF at CAF America can enable you to best meet your long-term philanthropic goals, please call 202.793.2232.