



The Donor Advised Fund

A Flexible Approach to Strategic Giving and Lasting Impact

Offered by SDG Global

The Philosophy Behind the Donor Advised Fund

Philanthropy often begins with a simple idea: the desire to support meaningful causes and contribute to the well-being of communities and institutions that shape our world.

For many individuals and families, the challenge is not whether to give, but how to structure their giving in a way that reflects both their values and their long-term vision for impact.

A donor advised fund provides a flexible and thoughtful approach to accomplishing this goal.

Through a donor advised fund, benefactors establish a charitable account administered by SDG Global. Contributions to the fund are invested and managed for charitable purposes, and donors may recommend grants to qualified nonprofit organizations over time.

This structure allows donors to organize their philanthropy within a dedicated charitable platform while maintaining the ability to thoughtfully support organizations as needs and opportunities arise.

Rather than approaching philanthropy as a series of isolated gifts, the donor advised fund encourages a strategic and intentional approach to charitable giving.

A Central Hub for Philanthropy

At its core, a donor advised fund serves as a central hub for charitable activity.

Many donors support multiple organizations, causes, and initiatives throughout their lives. A donor advised fund provides a single platform from which these charitable efforts can be organized and directed.

By consolidating philanthropic resources into a dedicated charitable account, benefactors gain a clear and structured way to manage their giving while maintaining the flexibility to respond to evolving charitable priorities.

This structure allows donors to engage with philanthropy in a thoughtful and deliberate manner—one that reflects both their personal passions and the needs of the communities they seek to support.

A Philanthropic Strategy That Grows Over Time

A defining characteristic of the donor advised fund is its ability to support philanthropy over time rather than in a single moment.

Assets contributed to the fund may remain invested and managed within the charitable account until the donor recommends grants to nonprofit organizations. This allows donors to thoughtfully plan their giving and respond to opportunities as they arise.

For many families, this approach creates a rhythm of philanthropy that evolves alongside their lives. Some donors choose to make regular grants to organizations they have long supported, while others use the fund to respond to emerging needs or new charitable initiatives.

In this way, the donor advised fund becomes not only a charitable tool, but a framework for ongoing philanthropic engagement.

A Complement to Other Philanthropic Tools

Many benefactors incorporate multiple charitable structures into their overall giving strategy. Each serves a different purpose within a broader philanthropic plan.

A donor advised fund often works alongside other charitable vehicles such as charitable remainder trusts and pooled income funds.

Charitable Remainder Trust

A charitable remainder trust allows donors to contribute assets to a charitable trust that provides income to designated beneficiaries before ultimately supporting charitable work.

While that structure focuses on integrating income planning with long-term philanthropy, a donor advised fund is designed primarily to facilitate active charitable grantmaking.

Together, these tools allow donors to support charitable causes both during their lifetime and through longer-term philanthropic planning.

Pooled Income Fund

A pooled income fund enables donors to contribute assets to a shared charitable investment pool that distributes income to participants.

While that structure focuses on income participation within a pooled investment environment, a donor advised fund provides a highly flexible grantmaking platform from which donors may recommend support for nonprofit organizations.

Many benefactors find that these structures complement one another within a comprehensive philanthropic strategy.

Why Families Choose a Donor Advised Fund

Individuals and families often choose a donor advised fund when they are seeking a philanthropic structure that combines simplicity, flexibility, and strategic charitable engagement.

Common motivations include:

A Desire for Organized Giving

A donor advised fund allows benefactors to bring structure and clarity to their charitable efforts. By consolidating philanthropic resources into a single charitable account, donors can thoughtfully manage and direct their giving over time.

Flexibility in Supporting Charitable Causes

Donors value the ability to recommend grants to a wide range of nonprofit organizations. This flexibility allows benefactors to respond to emerging needs, new initiatives, and evolving charitable interests.

A Platform for Family Philanthropy

Many families use donor advised fund accounts as a way to engage multiple generations in the practice of giving. Parents and grandparents often involve children and grandchildren in the process of identifying organizations and recommending grants.

This collaborative approach helps cultivate a culture of philanthropy that extends across generations.

A Long-Term Commitment to Charitable Impact

Because assets may remain invested within the charitable account, the donor advised fund can support philanthropy over many years. This allows donors to maintain a long-term perspective on their charitable efforts while continuing to respond to new opportunities for impact.

Illustrative Giving Scenarios

Every benefactor approaches philanthropy in a unique way. The following examples illustrate how a donor advised fund may support different charitable goals.

A Donor Seeking Simplicity in Giving

An individual who supports several nonprofit organizations each year may wish to organize their giving in a more structured way.

By establishing a donor advised fund, the donor creates a central charitable account through which grants can be recommended to multiple organizations over time.

This approach provides clarity and simplicity while maintaining flexibility in charitable support.

A Family Creating a Tradition of Philanthropy

A family may wish to involve multiple generations in charitable decision-making.

Through a donor advised fund, family members can participate in identifying causes they care about and recommending grants to organizations making a meaningful difference in their communities.

Over time, the fund becomes a shared platform for family philanthropy.

A Donor Building a Long-Term Giving Strategy

Some benefactors view philanthropy as a long-term endeavor rather than a series of individual gifts.

A donor advised fund allows these donors to contribute assets to a charitable account that supports ongoing grantmaking for years to come, ensuring that their philanthropic vision continues to guide future giving.

Comparing Philanthropic Giving Options

Benefactors often evaluate several charitable vehicles when designing their philanthropic strategy.

Feature	DAF	CRT	PIF
Income to Donor	No	Yes	Yes
Administrative Simplicity	Very High	Moderate	High
Professional Investment Management	Yes	Yes	Yes
Grantmaking Flexibility	High	Limited	Limited
Legacy Impact	High	High	High
Structure	Charitable account	Individual charitable trust	Shared charitable fund

Each structure serves a unique role within philanthropic planning, and many donors incorporate more than one approach as part of a comprehensive giving strategy.

Strengthening the Mission of the Charity

Beyond its benefits to donors, the donor advised fund plays an important role in strengthening the long-term work of charitable organizations.

By creating a structured platform for philanthropy, donor advised funds encourage sustained charitable engagement and ongoing support for nonprofit institutions.

Grants recommended from these funds help organizations pursue their missions with confidence, knowing that committed benefactors are investing in their long-term success.

For SDG Global, the donor advised fund represents a partnership with donors who share a commitment to supporting meaningful work across communities and causes.

A Partnership for the Future

At its heart, the donor advised fund represents a powerful idea: philanthropy can be both flexible and strategic.

By providing a structured platform for charitable giving, the donor advised fund allows benefactors to engage with philanthropy in a way that reflects their values, priorities, and long-term vision for impact.

For individuals and families who seek a thoughtful and adaptable approach to giving, the donor advised fund offers a meaningful path forward.

Frequently Asked Questions

What types of assets can be contributed to a donor advised fund?

Benefactors may contribute a variety of assets to a donor advised fund, including cash, publicly traded securities, and other financial assets. In certain circumstances, other appreciated assets may also be considered.

The team at SDG Global works closely with benefactors and their advisors to determine the most appropriate assets for contribution.

How are the assets invested?

Assets contributed to the fund are invested within professionally managed portfolios designed to support long-term charitable grantmaking.

This stewardship allows the charitable account to continue supporting philanthropic activity over time.

How are grants made from the fund?

Donors may recommend grants to qualified nonprofit organizations from their donor advised fund. SDG Global reviews and processes these recommendations in accordance with charitable regulations and guidelines.

Can family members participate in the fund?

Yes. Many donors involve family members in recommending grants and participating in charitable discussions. This approach helps foster a shared commitment to philanthropy across generations.

How does a Donor Advised Fund differ from a Charitable Remainder Trust?

A charitable remainder trust provides income to beneficiaries before ultimately directing assets to charitable purposes.

A donor advised fund, by contrast, is designed primarily to facilitate ongoing charitable grantmaking.

How does a Donor Advised Fund differ from a Pooled Income Fund?

A pooled income fund distributes income to participants from a shared charitable investment pool.

A donor advised fund focuses on providing a flexible platform through which donors may recommend grants to nonprofit organizations.

Learn More

Benefactors interested in learning more about how a donor advised fund may complement their broader philanthropic goals are encouraged to connect with the team at SDG Global.

Our advisors are available to discuss how this approach to giving may align with your charitable vision and long-term plans for impact.

Important Information

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