



Donor Advised Fund vs Endowment

Two of the most popular choices of funds for donors who are looking to start on their philanthropic journey are the Donor Advised Funds ("DAFs") and Endowments. Which should your client choose? Here are some facts on each type of fund to help you advise your clients on which tool will work best for their charitable goals.

	Donor Advised Funds ("DAFs")	Endowments
Amount to start a fund	\$2,500 for non-invested funds, \$10,000 for invested funds	\$10,000
Administrative fee	Based on the fund balance, the administrative fee is between 0.75% and 0.30% annually. There is a minimum \$20 per month fee.	Based on the fund balance, the administrative fee is between 0.75% and 0.30% annually. There is a minimum \$20 per month fee.
Investment options	The Foundation has four investment options for funds that will be held for a period of time greater than 12 months.	Any endowments will be invested according to the Endowment Asset Allocation.
Amount to spend	There are no spend requirements for DAFs. Distributions can be made at any time and for any amount.	Endowments may distribute funds based on the endowment spending policy. The amounts are calculated around August 1 and must be spent by June 30 or roll back in to the endowment.
Distributions	Distributions can be recommended by the fund advisors to any 501(c)3 organization.	Distributions can be made based on the mission of the fund that was specified upon creation.