



Donor-Advised Funds: A Partner in Your Family's Philanthropy

For families looking to make a meaningful philanthropic impact, a donor-advised fund (DAF) at the Community Foundation of Eastern Connecticut can be a natural extension of the values and relationships that shape their giving.

Before establishing a private foundation—or even a donor-advised fund with a national financial institution—consider not only how you want to give, but how your philanthropy can respond to the needs and opportunities within the communities you care about.

Working alongside you, your family, and your advisors, the Community Foundation can simplify grantmaking, connect you with trusted nonprofit organizations, and carry your philanthropic vision forward across generations.

How a Donor-Advised Fund Supports Your Family's Giving

A donor-advised fund at the Community Foundation:

- Creates time for conversations about the causes your family cares about
- Invites children and grandchildren into a shared tradition of giving
- Offers flexible timing and potential tax advantages as your charitable plans evolve
- Connects you with local knowledge, nonprofit leaders, and personalized philanthropic guidance
- Helps your family respond when new and urgent community needs emerge

A Partnership Grounded in Community

A donor-advised fund at the Community Foundation gives your family more than a charitable giving vehicle. It gives you a trusted local partner—one that listens to your goals, understands the community, and helps turn your values into meaningful action.

Whether you are beginning a new chapter in your family's philanthropy, considering an alternative to a private foundation, or looking for a more personal approach to donor-advised giving, we are here to help.

We welcome the opportunity to work alongside you, your family, and your advisors as your philanthropy grows and evolves.

Advantages of a DAF at CFECT vs. Private Foundation Establishment

CFECT Donor-Advised Fund	Private Foundation
Begins with a simple, one-page fund agreement	Requires establishing a separate legal entity
Provides a dedicated team for administration and support	Requires the foundation to manage its own filings, compliance, and administration
Cash gifts may be deductible up to 60% of adjusted gross income, subject to applicable tax rules	Cash gifts are generally subject to lower deduction limits
Allows donors to recommend grants anonymously	Generally requires public disclosure of grants and financial information
Has no annual payout requirement	Generally must meet annual distribution requirements
Makes it easy to involve multiple generations in your family's philanthropy	Requires ongoing governance and succession planning
Draws on CFECT's established relationships and knowledge of local nonprofits and community needs	Requires the foundation to develop and maintain its own community and nonprofit relationships
Reduces administrative workload and associated costs	Requires ongoing legal, accounting, investment, and administrative support
Addresses greatest emerging needs swiftly and frequently through CFECT's extensive knowledge of community needs and trusted local, regional, and national partners	Typically addresses community need only once per year through grant cycle and requires independent research to identify needs, priorities, and potential grantees

Let's Begin A Conversation

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