

Making a lasting contribution

Donor advised funds can provide a practical and meaningful way to give back



BY RICK MELCHING Community Foundation for Southwest Washington
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As I listen to the concerns and desires of the many generous people in our community, I am struck by two things: how thoughtful people are in their commitment to give back and how overwhelming it can be in our fast-changing world to know how best to make a positive and lasting contribution.

This time in our history has been described as “the greatest inter-generational transfer of wealth ever witnessed.” It is also a time when the needs of the community we live in are numerous and deeply compelling.

More and more people are looking to charitable giving as a way to balance these two realities. And, increasingly, donor advised funds are proving to be a popular philanthropic tool for this purpose.

A donor advised fund is a charitable giving vehicle established by a donor with a tax-deductible contribution of assets.

Functioning as “a foundation within a foundation,” donor advised funds provide nearly all of the benefits of a private foundation without all of the challenges. It allows donors to be personally involved in their giving choices, while being relieved of the considerable paperwork, research and meticulous financial management that are a necessary part of charitable giving. You can name your donor advised fund, as you would your own private foundation.

The Amy and David Lampe Family Fund at the Community Foundation was established with exactly these goals in mind.

The Lampes – busy parents of two young daughters, wanted to start investing in their community now – so their daughters could learn about giving early on. But they also wanted the peace of mind that their choices would be well-researched and the financial details carefully managed.

“It takes a lot of time and effort to research the charities you want to give to, because you want your gift to have the maximum impact,” said David Lampe. “People who don’t have much time can easily keep putting it off. But we didn’t want to wait. The donor advised fund allows us to support the community resources we really care about – without the worry of the time-consuming details.”

While a starting gift of as little as \$10,000 is often enough to establish a donor advised fund, the fund's many benefits are also appealing to those making more sizeable contributions.

For any level of giving, the opportunity to build a family legacy is an attractive incentive. Not only can the fund be named for the family, but future family advisors also can be named to ensure the continuation of the family's giving philosophy.

"We can begin to involve our kids in choices for giving in the future, and pass on to them our values and the need to give back to the community," Lampe said. "It's the perfect way for our family to contribute."

Many individuals and families like the Lampes are finding donor advised funds to be an easy and profoundly rewarding way to give back. I encourage others to explore how they, too, can make a difference meeting the growing and ever more urgent needs of our community.

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