



COMPARE THE OPTIONS

COMPARE THE OPTIONS	CHESTER COUNTY COMMUNITY FOUNDATION FUND	PRIVATE FOUNDATION	COMMERCIAL DONOR ADVISED FUND
Start-Up Incorporation Tax Exemption	Easy and inexpensive to set up. No set-up fees. Fund can be established in one brief meeting.	\$3,000-\$5000 in professional fees 3-6 months to incorporate, create bylaws and receive 501(c)(3) determination from IRS.	No set up fees.
Asset Size	Appropriate for any asset size over \$25,000.	Typically established with substantial assets of \$10+ million.	Varying minimum balances for assets from \$10,000 to \$30,000.
Required Payout	No annual distribution requirements. Can accumulate toward sizeable project or grant.	5% annual distribution required.	Varies.
Excise Taxes	No excise tax on income.	Excise tax of up to 2% of annual net investment income.	No excise tax on income.
Tax Treatment of Gifts:	Donors enjoy maximum tax advantages:	Tax treatment is not as favorable:	Tax treatment is not as favorable:
Cash gifts	Deduction up to 50% of adjusted gross income for cash contributions.	Deduction up to 30% of adjusted gross income.	Deduction up to 50% of adjusted gross income.
Publicly traded securities, closely held stock, &/or real estate	Deduction up to 30% of adjusted gross income for long-term appreciated property including publicly traded securities, closely-held stock and real estate.	Deduction up to 20% of adjusted gross income for publicly traded appreciated securities.	Deduction up to 30% of adjusted gross income for publicly traded appreciated securities.
Gifts of real property	Deduction of fair market value for gifts of most assets.	Deduction of only cost basis for gifts other than cash or publicly traded securities.	Most do not accept gifts of real property, such as real estate, privately held stock, S-corporation stock, or artwork.
Liability, Insurance & General Administration	CCCF handles financial and administrative matters including: <ul style="list-style-type: none"> ▪ investments and accounting ▪ legal & compliance filings ▪ annual independent audit & ▪ annual tax return. 	Donor must perform, contract, or hire staff for these services.	Commercial gift fund handles these services.
Grantmaking & Grant Administration	In addition to verifying tax-exempt status of grantees, CCCF offers: <ul style="list-style-type: none"> ▪ knowledge of community needs ▪ issues education ▪ process to evaluate grant requests ▪ expertise in appraising nonprofits & ▪ monitoring performance. 	Donor must perform, contract, or hire personnel for these services.	Verifies tax-exempt status of grantees.
Privacy	Anonymity, if desired.	A private foundation's tax return, which includes the names of its contributors, is public record.	Anonymity, if desired.
Family Involvement	Donor can involve family and heirs in charitable giving.	Donor can involve family and heirs in charitable giving.	Donor can involve family and heirs in charitable giving.
Fund Establishment	Can be established during lifetime, &/or through trust, charitable gift annuity, or estate.	Can be established during lifetime, &/or through trust or estate.	Can be established during lifetime, &/or through trust or estate.
Investment Management Fees	Varies.	Varies.	Varies.
Annual Costs	Annual administrative fees are 1% of fund balance, or less with larger endowments.	Annual administrative fees are typically greater than 1% of fund balance.	Annual administrative fees vary.