

CONSIDER THE PHILANTHROPY OPTIONS

	CHESTER COUNTY COMMUNITY FOUNDATION FUND	NATIONAL COMMERCIAL DONOR ADVISED FUND	PRIVATE FOUNDATION
Start-Up Incorporation Tax Exemption	No set-up fees. Easy and inexpensive to set up. Fund can be established in one brief meeting or online.	No set-up fees. Easy and inexpensive to set up. Fund can be established in one brief meeting or online.	\$3-\$10,000 in professional fees 6-12 months to incorporate, create bylaws and receive 501(c)(3) determination from IRS. Decide between charitable trust or non-stock corporate model.
Asset Size	Grantmaking allowed when asset size is over \$25,000.	Varying minimum balances for assets from \$10,000 to \$30,000.	Typically established with assets of \$7-10+ million.
Required Payout	No annual distribution requirements. Can accumulate toward sizeable project or grant.	Varies.	5% annual distribution required.
Excise Taxes	No excise tax on income.	No excise tax on income.	Excise tax of up to 2% of annual net investment income.
Tax Treatment of Gifts:	Donors enjoy tax advantages:	Donors enjoy tax advantages:	Tax treatment is not as favorable:
Cash gifts	Deduction up to 50% (2017)/ 60% (2018) of adjusted gross income for cash contributions.	Deduction up to 50% (2017)/ 60% (2018) of adjusted gross income for cash contributions.	Deduction up to 30% 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 generally allowed. Pre-qualification and consultation w/tax advisors recommended.	Deduction up to 30% of adjusted gross income for long- term appreciated property generally allowed. Acceptance of certain assets may require pre-qualification. Consultation w/tax advisors recommended.	Deduction up to 20% of adjusted gross income for publicly traded appreciated securities generally allowed. Consultation with tax advisors recommended.
Gifts of real property	Acceptance of complex gifts of real property allowed. Deduction based on FMV. Pre-qualification recommended.	Acceptance of complex gifts of real property subject to limitations and may require pre-qualification. Deduction based on FMV.	Deduction of lower of cost basis or market value for gifts other than cash or publicly traded securities.
Liability, Insurance & General Administration	CCCF handles financial & administrative matters: ▪ investments and accounting ▪ legal & compliance filings ▪ annual independent audit & ▪ annual tax return.	Handles financial & administrative matters: ▪ investments and accounting ▪ legal & compliance filings ▪ annual independent audit & ▪ annual tax return.	Perform, contract, or hire staff for these services.
Grantmaking & Grant Administration	▪ Verifies tax-exempt status of grantees ▪ knowledge of community needs & issues ▪ giving circle formation & facilitation ▪ education in smart-grantmaking & appraising nonprofits ▪ grant monitoring performance.	Verifies tax-exempt status of grantees. May provide customized donor services to help donors review & appraise nonprofits.	Perform, contract, or hire personnel for these services.
Privacy	Anonymity, if desired.	Anonymity, if desired.	A private foundation's tax return, which includes the names of its contributors, is public record.
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 Manager Selection	Portfolio choices, medallion investment partner opportunities & separately managed accounts, subject to minimum balances.	Most have portfolio choices. Some have separately managed account options.	Perform, contract, or hire investment personnel.
Investment Management Fees	Varies.	Varies.	Varies.
Annual Costs	Annual administrative fees @ 1% of fund balance, or less with larger endowments.	Annual administrative fees vary, typically less than 1%.	Annual administrative fees are typically greater than 1% of fund balance.