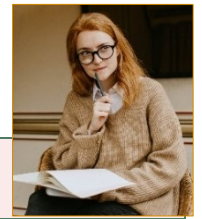




CONSIDER THE PHILANTHROPY OPTIONS



COMMERCIAL DONOR ADVISED FUND

PRIVATE FOUNDATION

Start-Up Incorporation Tax Exemption	No set-up fees Easy & inexpensive to create Fund established in one brief meeting or online	No set-up fees Easy & inexpensive to set up Fund can be established in one brief meeting or online	\$5-\$10,000 in professional fees 6-12 months to incorporate, create bylaws & obtain 501(c)(3) status from IRS; decide charitable trust or non-stock corporate model
Asset Size	Grants when endowed assets are \$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 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 60% of adjusted gross income for cash gifts	Deduction up to 60% 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 advisor 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 advisor 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 require pre-qualification & subject to limitations; deduction of FMV	Deduction of lower of cost basis or market value for gifts other than cash or publicly traded securities
Liability, Insurance & General Administration	Handles financial & administrative matters: <ul style="list-style-type: none"> investments & accounting legal & compliance filings annual independent audit annual tax return 	Handles financial & administrative matters: <ul style="list-style-type: none"> investments & accounting legal & compliance filings annual independent audit annual tax return 	Perform, contract, or hire personnel for these services
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; less with larger endowments	Annual administrative fees vary, typically less than 1%	Annual administrative fees are typically much greater than 1% of fund balance
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 & heirs in charitable giving	Donor can involve family & heirs in charitable giving	Donor can involve family & 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
Grantmaking & Grant Administration	<ul style="list-style-type: none"> verifies tax-exempt status of grantees knowledge of community needs & issues smart grantmaking support: due diligence, impact, evaluation, monitoring 	Verifies tax-exempt status of grantees	Perform, contract, or hire personnel for these services