

## Comparing Philanthropic Options – Three Ways to Give

*How does the Community Foundation compare to a private foundation and other charitable vehicles?*

	ATHENS AREA COMMUNITY FOUNDATION DONOR ADVISED FUNDS	COMMERCIAL GIFT FUNDS	PRIVATE FOUNDATION
<b>Donor Control</b>	Donor recommends grants to qualified nonprofits. Grants are approved by the Community Foundation and the investments are overseen by the Finance Committee of the Board of Directors.	Donor recommends grants to qualified nonprofits, and may choose from among the firm's investment options. Grants are approved by Trustees of the gift fund.	Donor appoints Board, which controls investments and grantmaking.
<b>Tax Status</b>	Public charity—as a fund under the Community Foundation's public charity status.	Public charity—as a fund under the non-profit status of the firm's charitable subsidiary.	Private charity—as a separate 501(c)(3) organization under Section 509(a).
<b>Income Tax Deductions Gifts of</b>	Cash: Up to 50% of AGI. Stock: FMV up to 30% of AGI. Real Estate: FMV up to 30% of AGI.	Cash: Up to 50% of AGI. Stock: FMV up to 30% of AGI. Real Estate: FMV up to 30% of AGI, if accepted by firm.	Cash: Up to 30% of AGI. Stock: FMV up to 20% of AGI. Real Estate: Cost basis up to 20% of AGI.
<b>Philanthropic Services</b>	Professional staff is available to develop strategy, provide input on community needs, and identify, assess, and verify non-profit status of grantees. Donor education, family engagement, and peer networking provided as desired.	Varies by firm. Most do not offer personalized advice on grantee selection or family engagement.	Board must arrange and support their own grantmaking, monitoring and administrative structures.
<b>Start-up Considerations</b>	Initial costs: None Fund Minimum: \$10,000 (Can start small and grow over time) Time to establish: Immediate	Initial costs: None Minimum contributions: Typically \$5,000 to \$25,000 Time to establish: Immediate	Initial costs: \$3,000 to \$6,000 for legal expenses and filing fees. Minimum contributions: Typically \$10 million or more for cost efficiency Time to establish: Several months
<b>Annual Admin Requirements</b>	Fee: Tiered fee schedule beginning at 1.5% but no less than \$500, plus investment management fees. Reporting: None	Fee: Fees and investment expenses vary by firm. Reporting: None	Fee: Several thousand dollars for legal and accounting expenses and filing fees. Reporting: 990-PF tax form must be filed annually.
<b>Annual Distribution Requirements</b>	None	Varies. Typically 5% of average fund assets over five years.	5% of net assets annually, otherwise a 30% penalty tax.
<b>Excise Tax</b>	None	None	1% to 2% of net investment earnings.
<b>Continuity</b>	Donor may name successor advisor(s) to the fund.	Varies	May continue to future generations.
<b>Privacy</b>	Donor may remain anonymous.	Donor may remain anonymous.	Officers, Directors, Trustees, corpus and grants listed in IRS Form 990-PF.