



Fund Type Comparison Grid

	Donor Advised Fund at Greater Worcester Community Foundation (GWCF)	Commercially Affiliated Charitable Fund (CACF)	Private Foundation
Minimum Fund Size	<ul style="list-style-type: none"> \$10,000 	<ul style="list-style-type: none"> Varies: \$5,000 - \$50,000 	<ul style="list-style-type: none"> No minimum.
Governance	<ul style="list-style-type: none"> GWCF Board of Directors. Assets become property of GWCF. Donor may recommend grants from their Fund. 	<ul style="list-style-type: none"> Trustees at CACF headquarters. Assets become property of CACF Donors may recommend grants from their Fund. 	<ul style="list-style-type: none"> Independent corporation with its own Board of Trustees.
Administration	<ul style="list-style-type: none"> GWCF handles accounting, audit, due diligence, check writing, etc. 1% administrative fee on current market value. 	<ul style="list-style-type: none"> Accounting, audit, due diligence, check writing, etc. at CACF. Fees vary. Range 0.5% - 2.5%; may include mark-up for financial advisor. 	<ul style="list-style-type: none"> Independent, created and overseen by Trustees. All costs (payroll, audit, compliance, etc) are responsibility of Foundation.
Investment	<ul style="list-style-type: none"> GWCF Managed Fund or money market account option. Investment management fees charged to the Fund; average fee for GWCF Managed Fund: 0.65%. 	<ul style="list-style-type: none"> Multiple investment options. Investment management fees charged to the Fund; cost varies depending on underlying mutual fund; range 0.3%-2.0%. 	<ul style="list-style-type: none"> Investment vehicles selected and overseen by Board of Trustees. Investment management fees are responsibility of the Foundation.
Funding Limits and Federal Tax Consequences	<ul style="list-style-type: none"> Cash gifts: 50% of AGI. Capital gain property: 30% of AGI. All capital gain property including illiquid assets tax deductible at current value. 5-year carry-over available. No tax on Fund's investment income. 	<ul style="list-style-type: none"> Cash gifts: 50% of AGI. Capital gain property: 30% of AGI. All capital gain property deductible at current value. Some CACFs may accept illiquid assets. 5-year carry-over available. No tax on Fund's investment income. 	<ul style="list-style-type: none"> Cash gifts: 30% of AGI. Capital gain property: 20% of AGI. Publicly traded securities deductible at current value. Privately held stock and other assets deductible at basis. 5-year carry-over available. 2% excise tax on investment income.
Visibility	<ul style="list-style-type: none"> Fund name acknowledged in grant letters and listed in annual reports OR Optional anonymity No public disclosure of Fund's activities 	<ul style="list-style-type: none"> Fund name acknowledged in grant letters. No public disclosure of Fund's activities. 	<ul style="list-style-type: none"> Desire for degree of visibility determined by Board of Trustees. Issues own grant guidelines and annual reports. Detailed public disclosure annually by posting IRS 990PF on Internet.
Grant Making Process	<ul style="list-style-type: none"> Donor Advisor recommends grants; approval by GWCF required. GWCF provides due diligence review of grantees recommended by donor. Prescreened proposals in interest area(s) referred to donor advisors, if requested. Research on specific nonprofits upon request. Option to distribute grants from principal as well as income. 	<ul style="list-style-type: none"> Donor/Advisor recommends grants; approval by CACF required. CACF provides due diligence review of grantees recommended by donor. Most provide option to distribute grants from principal as well as income. Many require annual minimum payout of 5% of assets. 	<ul style="list-style-type: none"> Subject to screening, evaluation and approval by Board of Trustees. Restrictions on "self dealing." Annual minimum payout 5% of assets.
Grant Making Capabilities and Restrictions	<ul style="list-style-type: none"> Broad flexibility, including national and international charities. GWCF has in-depth knowledge of Central Massachusetts needs and opportunities. Restrictions on grants to support lobbying. Ultimate purpose defined by donor or unrestricted. 	<ul style="list-style-type: none"> Broad flexibility, including national and international charities. Restrictions on grants to support lobbying. Ultimate purpose defined by donor or unrestricted. 	<ul style="list-style-type: none"> Determined by Board of Trustees. Restrictions on scholarship and research grants. Prohibition against grants to support lobbying. Purpose may be changed by future trustees.

Note: Policies and laws governing charitable gifts are subject to change. Examine carefully the policies that apply whenever you create a fund or foundation.