



Donor Advised Fund vs. Private Foundation

	Donor Advised Fund at GWCF	Private Foundation
Minimum Fund	<ul style="list-style-type: none"> • \$10,000 	<ul style="list-style-type: none"> • \$ millions recommended; but no minimum.
Grant Making	<ul style="list-style-type: none"> • Donor recommends grants • GWCF conducts due diligence and approval • Topical research available on request • Option to distribute from principal & income • No annual minimum payout (4% recommended) 	<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
Granting Supports and Restrictions	<ul style="list-style-type: none"> • Broad flexibility, including national and international charities • In-depth knowledge of community needs • Restrictions on grants to support lobbying • Succession planning includes one generation as advisors • Grants to individuals prohibited 	<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
Investment	<ul style="list-style-type: none"> • GWCF pooled fund • Investment management fees charged to the Fund 	<ul style="list-style-type: none"> • Investment vehicles selected and overseen by Foundation • Investment fees are responsibility of the Foundation
Governance /Ownership	<ul style="list-style-type: none"> • GWCF Board of Directors • Assets become property of GWCF • Donor is an Advisor for granting 	<ul style="list-style-type: none"> • Separate Trust or Corporation with its own Board of Trustees
Federal Tax Consequences	<ul style="list-style-type: none"> • Cash gifts: 60% of AGI • Capital gain property: 30% of AGI • All capital gain property including illiquid assets tax deductible at current value • No excise 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 • 1.39% 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"> • Desire for degree of visibility determined by Board of Trustees • Issues own guidelines and annual reports • Detailed public disclosure annually by posting IRS 990PF on Internet
Administration	<ul style="list-style-type: none"> • GWCF handles accounting, audit, due diligence, check writing, etc. • 1.25% administration fee on current market value up to \$5 million 	<ul style="list-style-type: none"> • Created and overseen by Trustees. • Costs vary; all expenses are responsibility of Foundation

Note: Policies and laws governing charitable gifts are subject to change. This should not be considered legal or tax advise. Please consult with your professional advisor