



PHILANTHROPY WORKS

Donor-Advised Funds

Family Foundations

Donor's Role in Investment	Can generally recommend investment allocation among investment pools	Able to exercise control over investment management, while adhering to specific rules
Donor's Role in Grant Making	Can recommend grants to any eligible grant recipients	Able to exercise control over grant making, while adhering to specific rules
Role of Donor's Family	Donor can often name additional donor-advisors to participate in all account privileges. Donor can name individuals as successors to assume all account privileges after donor's death.	Donor can appoint relatives to the board of directors, give them responsibility over the day-to-day activities of running the foundation, and, subject to certain limitations, provide salary and employment benefits.
Privacy	Donor may have the option to be acknowledged for grant recommendations or alternatively, remain anonymous.	Annual filing of IRS Form 990-PF is a public record of asset, contributors, and grants
Distributions	No minimum distribution required	Must distribute 5% of value each year
Deduction Limitations	Cash donations: 50% of AGI with 5-year carry forward	Cash donations: 30% of AGI with 5-year carry forward
AGI: Adjusted Gross Income	Long-term appreciated securities 30% of AGI, generally deductible at FMV	Long-term appreciated securities: 20% of AGI, generally deductible at cost basis
FMV: Fair Market Value	Other long-term appreciated assets: 30% of AGI, generally deductible at FMV	Other long-term appreciated assets: 20% of AGI, generally deductible at cost basis
Start Size (estimate)	\$5,000 - \$25,000	\$1,000,000
Entry Cost	\$100	\$5,000
Annual Fees	\$3,000 on \$500,000	\$7500 to \$10,000 on \$1,000,000