

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	FIDELITY FUND (COMMERCIAL GIFT FUND)	PRIVATE FOUNDATION
Donor Control	Donor recommends grants to qualified nonprofits, educational institutions, schools or charitable efforts. Grants are approved by the Community Foundation.	Donor recommends grants to qualified nonprofits. Grants are approved by Trustees of the gift fund.	Donor appoints Board, which controls investments and grantmaking.
Start-up Consideration	Initial costs: None Fund Minimum: \$10,000 (Can start small and grow over time) Time to establish: Immediate	Initial costs: None Minimum contributions: \$5,000/individual \$25,000/corporate Time to establish: Immediate	Initial costs: \$3,000 to \$6,000 for legal expenses and filing fees. Minimum contributions: Typically \$1-2 million or more for cost efficiency Time to establish: Several months
Philanthropic Services	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.	Does not offer personalized support and local expertise for grantee selection or family engagement.	Board must arrange and support their own grantmaking, monitoring and administrative structures.
Working with your Professional Advisor	AACF's Investment Policy allows it to engage local brokers in the management of community foundation assets. Brokers may participate in AACF's American Funds Community Foundation Program, or under AACF guidelines, may work outside American Funds to invest AACF assets.	Donor chooses among the firm's investment options.	Varies
Income Tax Deductions Gifts of...	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.
Annual Admin Fees	Supports local work of AACF: Tiered Fee Schedule (up to \$3M) 1.5% first \$1.5M (no less than \$500) 1.25% next \$500K 1% next \$1M .90% above \$3M Reporting: None	Supports Commercial Fund: Tiered Fee Schedule (up to \$5M) .60% first 500K (no less than \$100) .30% next \$500K .20% next \$1.5M .15% next \$2.5M Reporting: None	Fee: Several thousand dollars for legal and accounting expenses and filing fees. Reporting: 990-PF tax form must be filed annually.
Investment Fees	Fund Fee: .69% (.2% of this is paid to local broker through 12b1 fees) Brokerage Fee: None	Fund Fee: .69% Brokerage Fee: 1.2 cents per share traded	Varies
Total Fees	2.19% or less	1.29% or more	Varies
Required Distributions	None	A fund must average 5% distribution based on a 5 year rolling basis.	A fund should average 5% of net assets on 5 year rolling basis, or risk \$4942 excise tax.
Privacy	Donor may remain anonymous.	Donor may remain anonymous.	Officers, Directors, Trustees, corpus and grants listed in IRS Form 990-PF.
Continuity	Donor may name successor advisor(s) to the fund or may designate agencies and/or causes that AACF will continue supporting for generations to come.	Varies	May continue to future generations.