



## DAF VS. FOUNDATION

Giving vehicles provide a more organized and formal platform from which to conduct impact philanthropy, and also provides important tax-planning benefits. This comparison will help you assess your current and prospective needs, and enable you to determine which charitable vehicle might be the best fit for you.

		 Donor Advised Fund	 Private Foundation
<b>Creation</b>	FORMATION	Fund account is opened through a DAF provider	Foundation requires legal filings, governance, role establishment and administration
	TAX-EXEMPT STATUS	Shares the public charity status of the DAF provider	Must apply for tax-exempt status as a private foundation through the IRS
<b>Donations and Investments</b>	CHARITABLE DEDUCTIONS-CASH GIFTS	Tax deduction available up to 60% of adjusted gross income in any one year	Tax deduction is limited to 30% of adjusted gross income in any one year
	CHARITABLE DEDUCTIONS-APPRECIATED PROPERTY	Tax Deduction available up to 30% of adjusted gross income in any one year. Deduction available for full fair market value	Tax deduction available up to 20% of adjusted gross income in any one year. Deduction available for full fair market value only if publicly traded stock. Other appreciated assets receive deductions limited to cost basis
	DISTRIBUTION REQUIREMENT	No annual distribution requirement from fund	Annually must distribute at least 5% of asset value for charitable purposes, regardless of income
	INVESTMENTS	Fund assets are invested and managed through the DAF provider	Assets are managed independently, determined by the Foundation leadership
<b>Administration</b>	GOVERNANCE & SUCCESSION	Donor may name a trusted advisor to recommend grants and successors to fund account	Opportunities for board member roles and active participation of family members
	ANONYMITY	Contributions, grants and donors may remain anonymous if desired	Contributions, grants and board members are listed on annual tax documents, which are available for public review
	CONTROL OF GRANTS	Donor initiates grant recommendation; IRS requires the final approval and responsibility to fall with the DAF provider team	Donor retains complete control over investments and grantmaking are subject to IRS requirements
	FIDUCIARY DUTY	The DAF provider fulfills the fiduciary responsibility	The Foundation board has full fiduciary responsibility

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