

Comparison Chart

Donor Advised Fund vs. Supporting Organization vs. Private Foundation

	Donor Advised Fund at AF	Supporting Organization of AF	Private Foundation
Minimum Assets	<ul style="list-style-type: none"> \$10,000+ 	<ul style="list-style-type: none"> \$2 million + 	<ul style="list-style-type: none"> No minimum.
Governance	<ul style="list-style-type: none"> Adirondack Foundation Board of Trustees. Donor recommends grants to favorite charities from the fund. 	<ul style="list-style-type: none"> Quasi-autonomous subsidiary foundation. Slate of Trustees sent to Adirondack Foundation Board for review. 	<ul style="list-style-type: none"> Independent corporation with its own Board of Trustees.
Administration	<ul style="list-style-type: none"> Adirondack Foundation handles accounting, audit, check cutting. Typically 1.5% administrative fee on trailing 3-year average of fund's fair market value. Can be anonymous; no public disclosure of fund's activities. 	<ul style="list-style-type: none"> Separately audited or can be audited under Adirondack Foundation. Administrative fees negotiated. 	<ul style="list-style-type: none"> Independent infrastructure created and overseen by Trustees. All costs—staff, audit, compliance, legal, etc.—are responsibility of the Foundation. Detailed public disclosure annually on IRS 990PF.
Investments	<ul style="list-style-type: none"> Adirondack Foundation portfolio. Investment management fees charged to the fund (average 70 basis points). No possibility of donor control over investment. All investment results are net-of-fees. 	<ul style="list-style-type: none"> Adirondack Foundation portfolio or other could be negotiated. Investment management fees (Average 70 basis points). All investment results are net-of-fees. 	<ul style="list-style-type: none"> Investment vehicles selected and overseen by Board of Trustees. Subject to Uniform Management of Institutional Funds Act. Investment management fees are responsibility of the Foundation.
Funding Limits and Tax Consequences	<ul style="list-style-type: none"> Shares the public charity tax-exempt status of Adirondack Foundation. Cash gifts: 50% of AGI. Capital gain property: 30% of AGI. All capital gain property deductible at current value. 5-year carry-over available. No tax on investment income. 	<ul style="list-style-type: none"> Shares the public charity tax-exempt status of Adirondack Foundation. Same as Donor Advised Fund. 	<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.
Fiduciary Control	<ul style="list-style-type: none"> Adirondack Foundation Board of Trustees. Donor recommends grants; approval required by Adirondack Foundation. 	<ul style="list-style-type: none"> Supporting Organization Board of Trustees. 5-year contractual agreement or perpetuity. 	<ul style="list-style-type: none"> Board of Trustees. Subject to IRS Regulations.
Visibility	<ul style="list-style-type: none"> Fund name acknowledged in grant letters. Fund listed in Adirondack Foundation annual report. Optional anonymity. 	<ul style="list-style-type: none"> Same as Donor Advised Fund May develop grant guidelines brochure. Name may appear with Adirondack Foundation; may have own stationery. May issue own annual report. 	<ul style="list-style-type: none"> Desire for degree of visibility determined by Board of Trustees. Issues own grant guidelines and annual reports.
Grantmaking Process	<ul style="list-style-type: none"> Adirondack Foundation provides due diligence review of grantees recommended by donor. Prescreened proposals in interest area(s) referred to donor-advisors, if desired. Grant checks cut bimonthly. Research on specific nonprofits upon request. Option to distribute grants from 	<p><u>Optional</u></p> <ul style="list-style-type: none"> Grant checks can be cut on a monthly, quarterly, or annual basis. Same as for Donor Advised. Entire grantmaking infrastructure provided by Adirondack Foundation if requested. Adirondack Foundation can staff Trustee meetings. 	<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.
Grantmaking Focus	<ul style="list-style-type: none"> Broad flexibility across nonprofit sector. Majority of grantmaking should be local. Restrictions on grants to support lobbying. 	<ul style="list-style-type: none"> Mission, grantmaking must be consistent with broad charitable purposes of Adirondack Foundation. 	<ul style="list-style-type: none"> Determined by Board of Trustees. Restrictions on scholarship and research grants. Prohibition against grants to support lobbying.