

COMPARING OPTIONS

Partnering with the Foundation vs. Starting a Private Foundation



		OPENING A FUND AT THE SACRAMENTO REGION COMMUNITY FOUNDATION	STARTING A PRIVATE FOUNDATION
Funds Offered	Endowments	YES	YES
	Charitable Checking Accounts (Donor Advised Fund)	YES	NO
	Scholarships	YES	NO
	Memorial/Tribute	YES	NO
Philanthropic Services	Local Community Focus	YES	DONOR DECIDES
	Join Community of Donors	YES	NO
	Grantmaking Advice	YES	NO
	Donor Education on Local Issues	YES	NO
Income Tax Deductions (% limitation on AGI)	Cash Gifts	60%	30%
	Appreciated Property – Long Term	30%	20%
	Carry-Over Availability	YES	YES
Amount Deductible	Appreciated Public Stock	FMV (FAIR MARKET VALUE)	FMV
	Other Appreciated Properties – Long Term	FMV	BASIS
Minimum Annual Payout Requirement		NO*	YES (5%)
Federal Excise Taxes		NONE	2%
Fees and Administrative Services Included	Start-Up Costs	\$0	\$5,000 – \$20,000
	Start-Up Time	IMMEDIATE	UP TO SEVERAL MONTHS
	Minimum Fund Size	\$10,000*	\$10 MILLION RECOMMENDED
	Annual Fees	1.5%*	1–4%
	Tax Preparation	YES	NO
	Accounting & Record Keeping	YES	NO
	Investment Management	YES (RETURNS REPORTED NET OF MANAGEMENT FEES)	NO
Liability Insurance	IN PLACE	MUST PURCHASE	

*Consult your professional advisor for specific tax or legal questions and information. While there is no minimum annual payout requirement, the Foundation encourages active grantmaking. Scholarship minimum fund size is \$25,000 and Support Fees vary based on level of service required.