

Fund, Charity or Foundation?

COMPARE YOUR OPTIONS	STARTING A DONOR-ADVISED FUND AT ACF	GIVING DIRECTLY TO FAVORITE CHARITY	STARTING A PRIVATE FOUNDATION
Set-up time	As little as 1 day	Immediate	6-9 months
Start-up costs (e.g. legal and accounting fees)	None	None	Typical costs of creating a corporation (legal, accounting, etc.)
Annual costs	Total fees less than 2%	None	Extensive administration, legal and investment costs
Initial gift minimum	\$5,000	None	\$5-10 million recommended
Annual tax filings and returns	Not required (part of ACF annual reporting)	Charity conducts	Must be filed by private foundation staff
Record keeping / accounting	Provided by ACF staff	No	All services arranged by private foundation staff
Administrative support	ACF professional staff	Charity's staff	None, must hire private foundation staff
Payout required	None	None	Yes – 5% annually
Annual taxes	None	None	Yes – up to 2%
Governance and oversight	ACF board of directors	Charity's board	Private foundation board
Grant-making strategy assistance; information on community issues	Yes, if donor desires	No	None, must hire private foundation staff
Confidentiality	Yes. Donor can choose anonymity both in giving and grantmaking	No	No
Donor control of distributions	ACF carries out donor's wishes via grant recommendations, subject to ACF board approval	Donor can request restrictions on gift, but charity has final say	Subject to private foundation's board
Ability to give to multiple nonprofits and causes	Yes	No	Yes
Investments	Active board oversight, record of long-term growth by top-tier investment managers	Charity not required to invest gift for growth	Private foundation staff must oversee, management could be costly, depending on assets