GETTING STARTED: GROW YOUR CHARITABLE IMPACT

Don't just make donations — make a difference

Ready to make a bigger impact in philanthropy but not sure which giving vehicle is best for you? The following considerations offer a good place to start.

CONSIDERATION		No	Yes
FLEXIBILITY	I would like to give to a variety of causes or nonprofits, not just one.	1	2
	I would like to involve others (family members, employees, etc.) in my giving.	1	2
	I would like to streamline my charitable giving, rather than writing multiple checks throughout the year.	1	2
PERPETUITY	I would like my family or business name to live on through my charitable giving.	1	2
CONTROL	I would like to have the ability to dictate or change the way nonprofits use my charitable dollars in the future.	1	2

If your total for this section is 5-7, stop here and turn over for results. If your total is 8-10, please continue and add up all of your points for this page before looking at results on back.

CONSIDERATION		No	Yes
COST	I wish to avoid paying start-up costs.	1	2
	I wish to avoid ongoing expenses like tax filings, record keeping and investment management.	1	2
	I wish to avoid annual taxes and required payouts.	1	2
ANONYMITY	I want the option to give without nonprofit organizations or the public knowing who I am.	1	2
TAXES	I would like to receive the maximum charitable tax benefit allowed by law.	1	2
INSIGHT	I want to know about nonprofit programs related to my charitable interests.	1	2
	I would like to have access to performance data related to the nonprofits I support.	1	2

5-7 POINTS

Direct Gifts to your favorite charities may be the best choice for your philanthropy.

15-18 POINTS

A **Private Foundation** may be the choice for you if you are looking for legacy and complete control of your fund's management, especially if you want to pay your accountant, attorney and/or family members to operate it. The general rule of thumb for creating a private foundation is a starting donation of $5-10 million.

19-24 POINTS

A **Donor-Advised Fund** may be the best option for you. As an alternative to a private foundation, a donor-advised fund offers you some of the same perks — legacy, long-term growth, and the ability to give to your favorite causes.

DONOR-ADVISED FUNDS: THE BENEFITS

- **Greater tax deductibility.** Donations to donor-advised funds are deductible up to 60% of adjusted gross income on gifts of cash, and 30% on gifts of appreciated assets like stock, mutual funds and real estate. In comparison, deduction limits on gifts to private foundations are 30% and 20%, respectively.

- **Low cost.** Starting a donor-advised fund is free and fees are minimal. The fund pays a fee of 1.93%, but only after you have received a full tax deduction, whereas a private foundation requires extensive administrative, legal and investment costs. Private foundations are also taxed up to 2% annually, while a donor-advised fund is managed through a tax-exempt public charity like Akron Community Foundation.

- **Zero administration.** Akron Community Foundation handles the due diligence, record keeping, check writing, gift acceptance and tax filings. If you'd like, we can also help you learn about promising programs in your areas of charitable interest.

- **No minimum payout.** Private foundations must distribute at least 5% of their assets each year, while donor-advised funds have no such requirement. You make a gift when it is most tax advantageous, but you don't have to make grants until you're ready. Your fund's assets will be invested, with earnings growing tax-free.

- **Privacy.** While private foundation giving is public record, grants made through donor-advised funds can be made anonymously. You can also name your fund in such a way that fully protects you from funding appeals.

- **Legacy.** Donor-advised funds can make a statement. You can name them for your family or company, or in honor of a co-worker or loved one. They are also an effective way to encourage philanthropy among your family or employees. You can involve your children, grandchildren and even future generations of family members in your grantmaking and name them as successor advisors. You can also endow your fund so it will grow in perpetuity. The dollars available for grantmaking will be limited, ensuring your fund lasts forever.

Want to learn more about donor-advised funds and other ways to engage your family in philanthropy?

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