



Donor Advised Fund · Private Foundation · Both

CHOOSING A CHARITABLE APPROACH

As a donor, you have many choices for how to execute your philanthropy. You can establish a donor advised fund (DAF) at The Community Foundation for Northeast Florida, you can create a private foundation, or you can utilize a DAF at The Community Foundation with your existing private foundation to extend your philanthropic options.

For many individuals and families, the benefits of establishing a private foundation are outweighed by the cost, time and administrative burden that come with managing a foundation. *(See the chart on the reverse for details.)*

A DAF at The Community Foundation is a compelling alternative that maximizes the joy of philanthropy while eliminating the administrative headaches and earning greater tax advantages.

Benefits include:

- No administration—freedom from federal and state filing and reporting requirements
- Hassle-free grantmaking
- Limited minimum distribution
- Investment flexibility
- Anonymity

ALREADY HAVE A PRIVATE FOUNDATION?

Establishing a correlating DAF at The Community Foundation can be attractive. A DAF allows you access to our staff’s local expertise and may help you meet your foundation’s 5% annual distribution requirement. A fund at The Community Foundation may also help you support an issue that your private foundation doesn’t or can’t address. And, should you be ready to be relieved of the burdens of a private foundation, we can help you convert your private foundation to a fund or funds at The Community Foundation.

A WORD ABOUT COMMERCIAL GIFT FUNDS

DAFs have also become more widely marketed by national commercial entities such as Fidelity Charitable and others. The financial structure of the product offered by commercial gift funds is very similar to DAFs at The Community Foundation, but we offer some important advantages including:



UNMATCHED LOCAL EXPERTISE to inform your grantmaking



A WIDE RANGE OF INVESTMENT STRATEGIES, including Custom Managed Pools



A CHANCE TO LEAVE A LOCAL LEGACY—assets remaining at the Foundation DAF when the final advisor passes away can be converted into a permanent fund to support our community.

If you and your advisors are currently in the process of choosing a charitable giving strategy, please call us at **904.356.4483** to learn more about our services.

(continued on next page)

Donor Advised Fund Spotlight



When the historic Riverside Hospital was sold in 1991, the proceeds created the **Riverside Hospital Foundation**.

The Foundation's purpose is to support medically related organizations that improve the quality of care in our community. It's a big responsibility, and in 1993, the Riverside Hospital Foundation established a corresponding advised fund at The Community Foundation to help execute its mission.

Each year, The Community Foundation receives a single distribution from the Riverside Hospital Foundation with a list of grant recommendations, and we complete the grant cycle on their behalf: verifying compliance with IRS rules, confirming recipient information, sending a letter and the check to the nonprofit and preparing the income tax documentation for each recipient. The transaction with The Community Foundation allows the Riverside Hospital Foundation to fulfill its required 5% distribution and simultaneously relieves the administrative burden incumbent on private foundations.

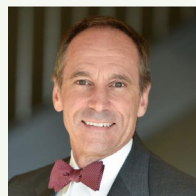
Over time, the Riverside Hospital Foundation has made **more than 600 grants** and disbursed **more than \$17.7 million**.



Giving Back. Forever Forward.

	Donor Advised Fund OR Designated Endowment at The Community Foundation	Private Foundation
Tax Status	Participates in TCF's public charity status	Applies to IRS for private foundation tax-exempt status
Start Up Considerations	Can be created immediately. No cost to establish; annual fee is 1% on the first \$2 million (declining scale after that.) Requested 1% contribution to Community Endowment Fund from each gift.	Can take several weeks or months to establish; significant legal and filing fees, plus possible ongoing office management, insurance, space, staff and miscellaneous expenses.
Taxation of Investment Income	None	1.39% annually
Tax deduction limits for gifts of cash	60% of Adjusted Gross Income	30% of Adjusted Gross Income
Tax deduction limits for gifts of stock or real property	30% of Adjusted Gross Income	20% of Adjusted Gross Income
Administration	All record-keeping and accounting performed by TCF	Detailed annual filing with IRS
Grantmaking	Donor advisor(s) may make grant recommendations subject to TCF Board approval. TCF staff conducts due diligence and can assist advisors in reviewing and monitoring approvals.	Foundation trustees have complete control of grantmaking distributions. Larger foundations require a professional staff.
Required Grant Distribution	At least one grant of \$250 or more per three-year period	Must expend 5% of net asset value annually, regardless of how much the net assets earn
Investments	TCF is responsible for asset management. Advisors may recommend investment option(s) on balances over \$100,000 and may recommend outside advisors on balance over \$500,000.	Responsible for asset management.
Privacy	Names of individual donors can be kept confidential if desired, and grants can be made anonymously.	Must file detailed, public tax returns on grants, investment fees, trustee names, staff salaries, etc.
Preservation of Purpose	TCF protects the donor's intent and prevents future generations from changing the fund's goals or objectives.	Next generation board members have full legal control to change goals and objectives of a private foundation.

A copy of the official registration and financial information may be obtained from the division of consumer services by calling toll-free 800-HELPFLA/800-435-7352, within the state or by visiting www.800HELPFLA.com. Registration does not imply endorsement, approval or recommendation by the state. (CH2304)



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**THE COMMUNITY
FOUNDATION**
— FOR NORTHEAST FLORIDA —
Giving Back. Forever Forward.