

COMPARING OPTIONS

Partnering with the Community Foundation vs. Starting a Private Foundation



THINGS TO CONSIDER		SACRAMENTO REGION COMMUNITY FOUNDATION	PRIVATE FOUNDATION
Funds Offered	Endowments	YES	YES
	Charitable Checking Account	YES	NO
	Scholarship	YES	NO
	Memorial	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	50%	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%
Administration and Fees	Start-Up Costs	NO CHARGE	\$5,000-\$20,000
	Minimum Fund Size	\$10,000*	\$3 MILLION RECOMMENDED
	Tax Return Preparation	YES	NO
	Accounting & Record Keeping	YES	NO
	Administrative Fees	1.5%*	1-4%
	Investment of Assets	YES	NO
	Investment Management Fees	VARIABLE	VARIABLE
Liability Insurance	IN PLACE	MUST PURCHASE	

*Minimum fund size for Scholarships is \$25,000, and Administrative Fees are variable based on level of service required.