



Items to consider	Community Foundation Donor Advised Fund	Private Foundation
Start-up Costs		
<i>Initial costs</i>	None	Several thousand dollars for legal & accounting expenses; filing fees
<i>Minimum contribution</i>	\$5,000	Typically millions of dollars
<i>Time Frame</i>	Immediate	Generally 1-2 months
Income Tax Deductions		
<i>Cash</i>	Up to 50% of adjusted gross income	Up to 30% of adjusted gross income
<i>Publicly traded stock</i>	Fair market value up to 30% of adjusted gross income	Fair market value up to 20% of adjusted gross income
<i>Real estate & closely held stock</i>	Fair market value up to 30% of adjusted gross income	Cost basis up to 20% of adjusted gross income
Payout Requirement	No required payout	Annual payout of at least 5% of foundation's assets regardless of Foundation's income for charitable purposes.
Donor Involvement	Donor recommends grants to qualified 501(c)(3) nonprofit organizations. Grants approved by Community Foundation board of directors.	Donor appoints board, which controls investments and grantmaking.
Tax Considerations		
<i>Tax status</i>	Public charity status as a component fund of the Community Foundation	Private charity status; not as favorable as public charity status
<i>Tax return & audits</i>	Not applicable; handled by Community Foundation	Must be performed by trustees, staff, or hired professionals
<i>Private Foundation Excise Taxes</i>	Not applicable	Various excise taxes imposed (2%)
Administration		
<i>Administrative & Investment Services</i>	Pooled administration and investment management; 1% annual fee	Must be performed by trustees, staff, or hired professionals
Grantmaking Support	Community Foundation professional staff can help identify and assess grantees, advise on community needs, and verify 501(c)(3) status of grantees	Donors must arrange and support their own grantmaking and monitoring structure

For more information, email office@siouxlandcommunityfoundation.org or call (712) 293-3303.