

Dollars and Sense: A Comparison

| | Donor Advised Fund of The Pittsburgh Foundation | Commercially Affiliated Charitable Fund (CACF) | Family Foundation Fund of The Pittsburgh Foundation | Private Foundation |
|---|--|---|---|---|
| Minimum endowment | \$10,000 | Varies, \$5,000 to \$50,000 | \$250,000 | Council on Foundations estimates a private foundation is inefficient when less than \$5M |
| Administration fees | <ul style="list-style-type: none"> • 1% DAF ≤ \$500,000 • .75% DAF \$500,001- \$1M • .70% DAF \$1M- \$2M • .65% DAF \$2M- \$5M • .60% DAF \$5M- \$10M • .50% DAF ≥ \$10M | <ul style="list-style-type: none"> • Vary, 0.60 to 2.5% • May include mark-up for financial advisor | <ul style="list-style-type: none"> • 1% DAF ≤ \$500,000 • .75% DAF \$500,001- \$1M • .70% DAF \$1M- \$2M • .65% DAF \$2M- \$5M • .60% DAF \$5M- \$10M • .50% DAF ≥ \$10M | Vary |
| Investment management fees | .30% to .88% (based on investment manager selected) | Vary, 0.30 to 2.0% | .30% to .88% (based on investment manager selected) | Vary, based on investment manager selected |
| Other fees | No additional fees | No additional fees | No additional fees | <ul style="list-style-type: none"> • Record keeping fees • Accounting fees • Tax and audit preparation |
| Excise taxes | None | None | None | 2% of net investment income annually |
| Valuation of gifts | Fair market value | Fair market value | Fair market value | <ul style="list-style-type: none"> • Fair market value for publicly traded stock • Cost Basis for all other gifts, including closely held stock and real property |
| Tax deduction limits for gifts of cash | 50% | 50% | 50% | 30% |
| Tax deduction limits for gifts of stock or real property | 30% | 30% | 30% | 20% |
| Grantmaking | <ul style="list-style-type: none"> • Donor/Advisor recommends grants to any 501(c)(3) in U.S., approval required by TPF Board • Grant checks cut weekly • Ability to distribute grants from principal • No minimum payout • Expertise of TPF staff available for consultation • Built in peer networking • Personal donor services representative • Informational sessions and activities on charitable organizations and issues | <ul style="list-style-type: none"> • Donor/Advisor recommends grants, approval required by CACF trustees • No personal representative • Many require 5% minimum payout • No consultation | <ul style="list-style-type: none"> • Donor/Advisor recommends grants to any 501(c)(3) in the U.S., approval required by TPF Board • Grant checks cut weekly • Ability to distribute grants from principal • No minimum payout • Expertise of TPF staff available for consultation • Built in peer networking • Personal donor services representative • Informal sessions and activities on charitable organizations and issues • Donor may recommend investment manager (subject to approval by investment committee) | <ul style="list-style-type: none"> • Donor appoints board, which controls grantmaking • Restrictions of scholarship and research grants • 5% minimum payout • Grantmaking services fee based • Donor education fee based |
| Future Purpose/ Legacy Planning | Donors may determine future purpose in the fund agreement naming individual charities to receive annual grants in perpetuity, or donor may name areas of interest and TPF Program staff will award grants in named areas. | <ul style="list-style-type: none"> • Fund is split between named successors. • If minimum is not achieved, remaining balance must be granted out in 90 days or fund balance will be added to unrestricted charitable gift pool directed by CACF trustees. | Donors may determine future purpose in the fund agreement naming individual charities to receive annual grants in perpetuity, or donor may name areas of interest and TPF Program staff will award grants in named areas. | Family involvement in perpetuity, no restrictions |