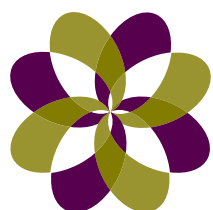


Fund or Private Foundation?

Two Approaches to Giving

The following chart provides a detailed look at the differences between a private foundation and a community foundation. Consult your professional advisor or call Stanislaus Community Foundation to learn more. We provide an efficient, easy alternative to setting up a private foundation, at a fraction of the time and financial outlay.

	COMMUNITY FOUNDATION – DONOR ADVISED FUND	PRIVATE FOUNDATION
EASE OF ESTABLISHMENT	Execution of a simple fund agreement is all that is required.	Corporation or trust is required, must pay associated professional/legal fees. You must establish private foundation tax-exempt status with IRS, file with California Franchise Tax Board and file annual report with California Attorney General.
TAX BENEFITS	Up to 60% on cash; up to 30% on appreciated stock; up to 30% on real estate and closely held stock.	Up to 30% on cash; up to 20% on appreciated stock; up to 20% on real estate and closely held stock.
CONTROL	You can create an advisory committee of family and friends to recommend grants from the fund.	Governing body may consist of donor and related persons; must provide final approval of all grants and administrative matters.
ACCOUNTING AND ADMINISTRATION	No separate tax return to file and no excise tax to pay. We handle all investments and accounting, files annual tax return and provides annual independent audit. Stanislaus Community Foundation provides monthly investment reports to all donors.	Legal and accounting fees run to thousands annually; must file annual tax return. Generally 2% on investment income and net realized capital gains.
MINIMUM PAYOUT REQUIREMENTS	None.	Yes (minimum 5% of average asset value each year under IRC Section 4942).
PRIVACY	Individual donors' fund assets size, gifts and grantmaking can be kept private and confidential. Donors are generally recognized for grants disbursed, but grants may be made anonymously.	Private foundations are required to make public detailed tax returns on grants issued, investment fees, trustee fees, staff salaries, asset size, etc..
STAFFING & GRANTS MANAGEMENT	Full-time professional staff can screen giving opportunities and community needs with maximum convenience, at a fraction of the cost.	Full-time staff can be costly and must adhere to complex federally mandated self-dealing rules.



Stanislaus
Community
Foundation

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