

HOW TO SIMPLIFY YOUR [FOUNDATION'S] LIFE

The Community Foundation offers a personal, local, and flexible approach to giving. We match donors with community causes they care deeply about and offer extensive knowledge about local charitable organizations and emerging community needs.

| | Community Foundation (CF) | Private Foundation (PF) |
|--|---|---|
| SET-UP CONSIDERATION | | |
| COSTS | None | Legal, accounting & filing fees |
| TIME FRAME | Immediate | Up to 6 months |
| MINIMUM CONTRIBUTION | No minimum | No minimum |
| INCOME TAX CONSIDERATIONS | | |
| CASH | Deduction of up to 60% adjusted gross income | Deduction of up to 30% adjusted gross income |
| CAPITAL GAINS | 30% of adjusted gross income | 20% of adjusted gross income |
| EXCISE TAXES | No tax on fund's investment income | Generally, 1-2% on investment income |
| ADMINISTRATION | | |
| ADMINISTRATION SERVICES | CF handles accounting, audit, due diligence, check writing, etc. | All costs including payroll, audit, compliance, legal, etc. are responsibility of the PF |
| INVESTMENT OPTIONS | Four portfolio options or donor may choose their own investment manager | Investment vehicles selected and overseen by Board |
| FUND DISTRIBUTION | No annual minimum | Annual required minimum distribution of 5% of assets |
| SET-UP CONSIDERATION | | |
| SELF-DEALING RULES | CF provides oversight, therefore private foundation self-dealing rules do not apply | Regulations prohibit most transactions between a private foundation and its donors, related persons, and corporations |
| LIABILITY & RISK INSURANCE | Provided by CF | Must be purchased by the PF |
| VISIBILITY | | |
| PUBLIC DISCLOSURE | No public disclosure unless donor desires | Desire for degree of visibility is determined by Board and issues own grant guidelines PF's must disclose all of the grants they make on the IRS form 990. PF's balance is also public information |
| GRANTMAKING CAPABILITIES & RESTRICTIONS | | |
| FUTURE PURPOSE | Current and future purpose defined by donor | Purpose may be changed by future Board |
| COMMUNITY KNOWLEDGE | In depth knowledge of local nonprofits and community needs | PF must determine nonprofit and community needs |
| FLEXIBILITY OF GRANTS | Complete flexibility | Determined by Board |

FAMILY FOUNDATION FUND

Family Foundation funds are for families to support a variety of causes and ensure future generations are engaged in family philanthropy. These funds are a low-cost alternative to a family foundation. The Community Foundation offers a variety of investment options designed to meet a range of philanthropic goals and time horizons.

The Community Foundation can also allow you to work with your own trusted financial advisor to manage your fund. With this option, you can benefit from custom investment management by an advisor you already know and trust. If this option is right for you, simply put us in touch with your financial advisor and our team will take care of the rest.



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