



## Donor-Advised Funds: How We Compare

	W-S Foundation Endowed Donor-Advised Funds	Commercial Donor-Advised Funds	Private Foundations
<b>Donor Involvement</b>	Donor recommends grants to qualified nonprofit groups. Grants are approved by the Foundation Committee. Investment decisions are made by WSF in consultation with donor and limited to approved investment choices.	Donor recommends grants to qualified nonprofit groups. Grants are approved by trustees of the gift fund. Investment choices are made by the donor, but are limited to the fund's approved investment choices.	Donor appoints initial board of a nonprofit corporation. Board controls investment and grantmaking. If organized as a trust, donor designates trustee which controls investment and grantmaking.
<b>Tax Status</b>	Participates in WSF's public charity status.	Participates in the entity's public charity status.	Applies to IRS for private foundation tax-exempt status.
<b>Income Tax Deductions for Gifts of:</b>			
<b>Cash</b>	Up to 60% of adjusted gross income.	Up to 60% of adjusted gross income.	Up to 30% of adjusted gross income.
<b>Publicly traded securities*</b>	Fair market value up to 30% of adjusted gross income.	Fair market value up to 30% of adjusted gross income.	Fair market value up to 20% of adjusted gross income.
<b>Real estate and closely held securities*</b> *capital gains property	Fair market value up to 30% of adjusted gross income.	Fair market value up to 30% of adjusted gross income. Usually real estate is not accepted.	Deductible at cost basis.
<b>Grantmaking Support</b>	Professional staff is available to help identify and assess grantees, provide input on community needs, and verify nonprofit status. Educational and joint grantmaking programs available.	Varies. Most have no local expertise, and they provide only a basic level of due diligence.	Board or trustee must arrange and support its grantmaking and monitoring structure.
<b>Distribution Requirements</b>	At least one grant of \$100 or more every three years.	Varies, up to 5% of net asset value annually.	5% of net asset value annually.
<b>Start-up Considerations:</b>			
<b>Costs</b>	None	None	Several thousand dollars for legal and accounting expenses and filing fees.
<b>Time frame</b>	Immediate	Immediate	Several months.
<b>Minimum Contribution</b>	\$25,000	Varies, usually \$5,000-\$25,000 for individuals.	\$1 million, with plans to add to it later.
<b>Annual Administrative Requirements:</b>			
<b>Taxes</b>	None	None	Excise tax up to 2% of net investment income, including net capital gains.
<b>Reporting</b>	None	None	Annual tax return, including detailed financial schedules, filed by foundation.

Note: This summary has been simplified to provide a general overview. Some additional requirements or alternatives may be applicable depending on each donor's situation. Be sure to consult with your own advisors.

For more information, visit [wsfoundation.org](http://wsfoundation.org) or call the Foundation at (336) 725-2382.