



GREATER  
TACOMA  
COMMUNITY  
FOUNDATION



## DONOR-ADVISED FUNDS AT GREATER TACOMA COMMUNITY FOUNDATION CAN FREE UP YOUR FAMILY GIVING

If your goal is to perpetuate your family's legacy through charitable giving beyond your lifetime, a Private Family Foundation is one option. However, a Donor-Advised Fund (DAF) frees you up to focus on your impact, rather than managing the ins-and-outs of a more structured entity.

### BENEFITS OF A GTCF DAF

#### FLEXIBILITY

- + You can choose to support multiple nonprofits and causes, and add-on to your fund at any time.

#### SIMPLICITY

- + GTCF will handle all your paperwork and tax acknowledgement needs, so you don't have to keep track of your charitable giving.

#### GIVING OPTIONS

- + GTCF can accept a variety of gifts, from cash to complex assets like closely held stock or real estate.

#### CONNECTIONS AND COMMUNITY KNOWLEDGE

- + Holding a DAF with GTCF means you directly connect to knowledge about Pierce County issues, with opportunities to align your charitable giving, impact investing, or issue-specific charitable funding.

#### LOCAL COMMITMENT

- + Advising a fund at GTCF supports your community both through your giving and through GTCF's operations.

- 1 INITIAL DONATION \$10,000
- 2 ANNUAL FEES 1.25% OR LESS
- 3 SET UP TIME UP TO ONE WEEK
- 4 GRANTMAKING MINIMUM \$250

# DONOR-ADVISED FUNDS & PRIVATE FOUNDATIONS: A COMPARISON

	Donor-Advised Fund	Private Foundation
Set-up Time	Up to one week	6-9 Months
Start-up Costs	None	Typical costs of creating a corporation
Annual Fees	1.25% on the first \$500K, 0.75% on the next \$500K	Extensive annual administrative, legal and investment costs
Initial Gift/ Balance Minimum	\$10,000	\$5-10 million recommended
Tax Deductions	Typically more favorable (for example, 60% of AGI on cash gifts)	Typically less favorable (for example, 30% of AGI on cash gifts)
Annual Tax Filings & Returns	No additional reporting required; part of GTCF 990	Private foundation staff must file 990 annually
Record Keeping/ Accounting	Provided by GTCF staff	Private foundation staff must provide
Administrative Support	Provided by GTCF staff	Private foundation staff must provide
Payout/Grants Required	\$250 annual grant is required	Yes – at least 5%
Annual Taxes	No	Yes – up to 2%
Governance & Oversight	GTCF's board of directors	Private foundation's own board of directors
Grantmaking Strategy Assistance	GTCF can provide direction and insight and can even connect donors directly with nonprofits if desired by donor	Private foundation must do their own due diligence or hire staff to manage
Confidentiality	Yes – donor can choose anonymity both in giving and grantmaking	No – must file public reports that disclose this giving and grantmaking information
Donor Control of Distributions	Donors can recommend grants to any 501(c)(3) public charity. Grants will be carried out with GTCF board approval.	Donors can recommend grants to organizations or individuals, subject to private foundation's board
Investments	GTCF has a record of long-term growth by top-tier investment managers, but donors can request their advisors continue managing their assets if they meet certain criteria	Private foundation staff must oversee investments; management can be costly depending on assets

**DISCOVER GREATER CONNECTION WITH YOUR COMMUNITY. CONTACT A GTCF PHILANTHROPIC ADVISOR AT [FASERVICES@GTCF.ORG](mailto:faservices@gtcf.org) OR 253.383.5622**