



**The Community
Foundation**

Comparison of Donor Advised Fund Options at The Community Foundation

	Endowed DAF	Spend Down DAF	Corporate DAF
Minimum to Establish	\$25,000 through gifts to the Fund	\$25,000 through gifts to the Fund	\$25,000 through gifts to the Fund
Years to Reach Minimum	Donor/s may take up to 3 years to reach the minimum. Until that time, the Fund will be known as a seed fund and will make no distributions until it reaches minimum on or before June 30th for the annual spending policy calculation. The first grant may be recommended during the following calendar year.	Donor/s may take up to 3 years to reach the minimum. Until that time, the Fund will be known as a seed fund and will make no distributions until it reaches the minimum. The first grant may be recommended any time after the fund reaches minimum.	Donor/s may take up to 3 years to reach the minimum. Until that time, the Fund will be known as a seed fund and will make no distributions until it reaches the minimum. This type of DAF may be classified as endowed or spend down, thus determining when grant recommendations can begin.
Annual Spending Policy	4.5% of the average balance of the Fund over the twelve trailing quarters, as of June 30th.	Spending at the advisor's discretion. Fund may be spent down to -0-. When Fund is at or below \$500, Donor/s will be notified that Fund must be replenished, the amount remaining granted out and the Fund closed, or the Fund made dormant. Funds may be replenished or reactivated with a minimum gift of \$5000.	The spending policy for this type of DAF may be classified as endowed or spend down, thus determining how much is available to recommend for grant making.
Minimum Grant Size	\$250	\$250	\$250
Annual Administrative Fees	1% administrative fee per year, assessed quarterly. Administrative fees will be assessed on a pro rata basis during the year of fund creation and in whole, quarterly, each succeeding calendar year.	1.25% or \$500 annual administrative fee, whichever is greater. Annual administrative fees will be assessed on a pro rata basis during the year of fund creation or reactivation from dormancy and in whole during January of each succeeding calendar year.	Administrative fees will depend on Fund's classification as endowed or spend down.

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Money Managers' Fees	Fees charged by money managers are deducted from investment returns attributed to the Fund.	Fees charged by money managers are deducted from investment returns attributed to the Fund.	Fees charged by money managers are deducted from investment returns attributed to the Fund.
Advisors and Successors	2 generations of advisors may advise on the fund: 1 primary (donor or donor appointee) and 1 successor generation. Successor advisors can only be named by an original Donor and must be alive at the time of Fund creation.	Only advisors in place at time of fund creation may advise on Fund. Fund holders may convert Fund to an endowed fund at death and appoint one generation of advisors, who are alive and at least 18 at time of Donor's death, so long as a minimum of \$25,000 is in the Fund. All spend down DAF holders have the option to transfer DAF assets to an endowed fund of the Foundation at any time.	Donor or donor appointee may advise on the Fund. Endowed corporate DAFs can have unlimited successor advisors for so long as the organization or company remains in business and annually makes grants.
Investment Options	In general, DAFs are invested by the Foundation in its pool. Donors may choose to invest their DAFs with their own professional advisor so long as the gift is of sufficient size to merit separate investment. Presently this option is available to Donors \$1M or above. The exception to this limitation is if Donor's chosen professional advisor manages other funds of the Foundation with which a smaller gift could be pooled for investment and in this way reach the \$1M threshold for separate investment. If the endowed fund balance (or its investment pool) is reduced to the level where it no longer merits separate investment, the Foundation may pull the assets back into either its investment pool or a money market pool, at the Donor's discretion.	Spend down DAFs are invested in a money market account which will assure that gifts are preserved but may not earn enough to pay for the administrative fee assessed to the Fund.	Investment options will depend on whether the Fund is classified as endowed or spend down.