

TRISKELES FOUNDATION
Donors Ask: *What's Better For Me?*

A Donor-Advised Fund at The Triskeles Foundation ...

... or My Own Private Foundation?

Start-up	Fund can be established in a few days; easy and inexpensive; no set up fees	Usually requires a number of months or more to establish and qualify for tax exemption; minimum \$3,000 to \$5,000 in professional fees to set up
Asset size	Equally appropriate for any size asset ~ our minimum is \$10,000	Typically more established with substantial assets ~ often \$10 million or more
Tax treatment of cash gifts	Deductible up to 50% of Adjusted Gross Income (AGI)	Deductible up to 30% of AGI
Tax treatment of gifts of appreciated publicly traded securities, closely held stock or real estate	Full fair-market value deduction up to 30% of AGI	Full fair-market value deduction up to 20% of AGI. For private non-operating foundations, deduction for closely held stock is limited to cost basis up to 20% of AGI.
Excise taxes	No excise taxes	Annual excise tax of up to 2% on annual net investment income
Penalty taxes	No penalty taxes	Penalty taxes may be imposed for excess business holdings or self-dealing
Required payout	Currently, no requirement for annual payout. Can accumulate income toward a sizeable project or grant.	Required to expend 5% of asset value annually, regardless of investment annual earnings
Incorporation and tax exemption	Automatically covered by Foundation	Must apply for incorporation and tax exemption
Liability and insurance	Funds are covered by Foundation's liability and office insurance policies	Any directors and officers' liability insurance, employee bonding and office insurance must be separately purchased
Privacy	Anonymity can be maintained, if desired	Required public disclosure
General administration	The Foundation handles all financial and administrative matters including investments and accounting, annual tax return and annual independent audit	Trustees must perform, contract, or hire staff for these services
Grant making	As donor wishes, Foundation program staff can provide consultation for grant making	May need to obtain expert advice for effective grant making
Grant administration	Foundation can identify potential recipients, investigate applicants, make grant payments and monitor grantees' performance	Trustees must perform, contract, or hire staff for these purposes
Family involvement	Donor can involve family and heirs in charitable giving	Donor can involve family and heirs in charitable giving
Fund establishment	Can be established during lifetime or through trust, charitable gift, or estate	Can be established during lifetime or through trust or estate
Costs	No start-up costs; annual administrative fees are generally around 1% of fund balance	Start-up requires attorney and accountant fees; ongoing administrative fees are typically greater than 1% of fund balance