Compare Your Charitable Options
A partnership with MCF offers compelling advantages over other charitable options. See how we compare.

<table>
<thead>
<tr>
<th>Service Model</th>
<th>MCF Donor-Advised Fund</th>
<th>Commercial Donor-Advised Fund</th>
<th>MCF Virtuoso</th>
<th>Private Foundation</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>A dedicated philanthropic advisor is available to support all aspects of your charitable giving</td>
<td>Varies, but most financial institutions provide phone and online service from a support desk. Advisory services may not always be offered</td>
<td>An expert team provides everything you and your family need to execute effective and meaningful philanthropy, including a custom strategic giving plan, and all fund administration</td>
<td>Members of the foundation manage their own giving, and hire consultants to handle administration, accounting, legal affairs and compliance</td>
</tr>
<tr>
<td>Expertise</td>
<td>Access to philanthropic advisors, field leaders and robust sector knowledge</td>
<td>Varies, but most providers encourage donors to conduct their own online research using charitable databases</td>
<td>Your team comprises certified philanthropic advisors, tenured grant makers with deep issue and evaluation expertise, marketing professionals and financial services staff</td>
<td>Members of the foundation hire consultants or conduct their own research</td>
</tr>
<tr>
<td>Philanthropic programs</td>
<td>MCF provides tailored services for you including custom research, giving strategy guidance, family philanthropy offerings and personal site visits to nonprofits</td>
<td>None</td>
<td>MCF curates experiential and educational events, offers exclusive philanthropic curricula and provides networking opportunities for you with business, government and community leaders</td>
<td>Must be arranged and paid for by the foundation</td>
</tr>
<tr>
<td>Privacy</td>
<td>You may choose to remain anonymous</td>
<td>Donor may choose to remain anonymous</td>
<td>You may choose to remain anonymous</td>
<td>IRS Form 990-PF lists officers, directors and trustees</td>
</tr>
<tr>
<td>Perpetuity</td>
<td>Yes, if you wish and if the fund has sufficient assets</td>
<td>Varies</td>
<td>Yes, if the fund has sufficient assets</td>
<td>Yes, if donor wishes and if the fund has sufficient assets</td>
</tr>
<tr>
<td>Private label branding</td>
<td>None</td>
<td>None</td>
<td>MCF's marketing team can develop a brand for your fund, including logo, color palette, letterhead design and more (at no charge)</td>
<td>Must be arranged and paid for by the foundation</td>
</tr>
<tr>
<td>Annual administrative fees</td>
<td>A sliding scale, beginning at 0.75% and scaling down to 0.12% as fund balance increases</td>
<td>Varies based on fund size, but usually starts at 0.6% of assets and declines for larger funds</td>
<td>A sliding scale, beginning at 0.75% and scaling down to 0.12% as fund balance increases; depending on fund structure, audit &amp; tax return preparation fees may be added</td>
<td>Grantmaking, administrative, legal, accounting &amp; investment support are staffed and financed independently</td>
</tr>
<tr>
<td>Investment strategy</td>
<td>You can choose from MCF’s professionally-managed investment pools</td>
<td>Donors choose from firm’s investment pools or designate an advisor to manage investments</td>
<td>Your investment advisor may manage assets and design an investment strategy, or you can ask MCF to manage the assets</td>
<td>Donor appoints board which hires managers to manage assets</td>
</tr>
<tr>
<td>International grantmaking</td>
<td>Available for a minimal fee to cover due diligence costs</td>
<td>Grantmaking to internationally-based organizations is typically not available</td>
<td>Fees waived</td>
<td>Available, but foundations need to manage and cover costs of due diligence</td>
</tr>
<tr>
<td>Income tax deductions for:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash gifts</td>
<td>Up to 60% of adjusted gross income</td>
<td>Up to 60% of adjusted gross income</td>
<td>Up to 60% of adjusted gross income</td>
<td>Up to 30% of adjusted gross income</td>
</tr>
<tr>
<td>Publicly-traded securities</td>
<td>Fair market value up to 30% of adjusted gross income</td>
<td>Fair market value up to 30% of adjusted gross income</td>
<td>Fair market value up to 30% of adjusted gross income</td>
<td>Fair market value up to 20% of adjusted gross income</td>
</tr>
<tr>
<td>Real estate, closely-held stock</td>
<td>Fair market value up to 30% of adjusted gross income</td>
<td>Fair market value up to 30% of adjusted gross income</td>
<td>Fair market value up to 30% of adjusted gross income</td>
<td>Deductible at cost basis up to 20% of adjusted gross income</td>
</tr>
<tr>
<td>Financial administration:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>IRS reporting</td>
<td>None</td>
<td>None</td>
<td>Depending on fund structure, annual tax returns and audits may need to be prepared and filed by MCF</td>
<td>Must prepare and cover costs of an annual tax return, with detailed financial schedule and audit</td>
</tr>
<tr>
<td>Taxes</td>
<td>None</td>
<td>None</td>
<td>None</td>
<td>Excise tax is 2% of net investment income, including net capital gains</td>
</tr>
<tr>
<td>Distribution requirements</td>
<td>None</td>
<td>Most require a minimum of 5% of the fund’s net assets on a five-year rolling average</td>
<td>Covered under MCF’s public charity status</td>
<td>At least 5% of net asset value annually. Penalty tax is 30% of undistributed amount</td>
</tr>
<tr>
<td>Tax status</td>
<td>Covered under MCF’s public charity status</td>
<td>Covered under nonprofit status of corporate entity’s charitable subsidiary</td>
<td>Covered under MCF’s public charity status</td>
<td>Must apply to IRS for private foundation tax-exempt status</td>
</tr>
<tr>
<td>Start-up considerations:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Costs</td>
<td>None</td>
<td>None</td>
<td>MCF covers most costs</td>
<td>Several thousand dollars for legal and accounting expenses and filing fees</td>
</tr>
<tr>
<td>Timeframe</td>
<td>Immediate</td>
<td>Immediate</td>
<td>Immediate</td>
<td>Several months</td>
</tr>
<tr>
<td>Minimum contribution</td>
<td>None</td>
<td>Varies, usually between $5,000 - $25,000</td>
<td>$5 million</td>
<td>None, but establishing a smaller foundation is not typically cost-effective</td>
</tr>
</tbody>
</table>
The Bottom Line

A **donor-advised fund at MCF** is ideal for people looking to take their giving to a new level, with personalized service, organized administration and easy access to knowledge and research.

A commercial donor-advised fund is ideal for people looking for a simple, transactional way to manage their giving, that doesn’t emphasize personal service or philanthropic advice.

**Virtuoso at MCF** is ideal for people with a profound commitment to charitable giving and significant resources to commit – and who want to enjoy an extremely high level of customized service with no administrative burden.

A private foundation is ideal for people with significant wealth who want a formal structure to their giving and have the ability and desire to manage its administration.

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