



## THE CLEVELAND FOUNDATION VS. A PRIVATE FOUNDATION

	<b>Private Foundation</b>	<b>Donor Advised Fund of the Cleveland Foundation</b>	<b>Supporting Organization of the Cleveland Foundation</b>
<b>Legal Identity</b>	Separate nonprofit entity	[Donor's Choice of Name] Fund of the Cleveland Foundation	[Donor's Choice of Name] Fund of the Cleveland Foundation (separate nonprofit entity affiliated with the Cleveland Foundation)
<b>Tax Status</b>	Private foundation	Public charity	Public charity
<b>Taxation of Investment Income</b>	2% annually	None	None
<b>Payout Requirement</b>	Grants must equal 5% of corpus annually	None	None
<b>Deductibility of Gifts</b>	Deductibility: 20% AGI* for appreciated property 30% AGI* for cash	Deductibility: 30% AGI* for appreciated property 50% AGI* for cash	Deductibility: 30% AGI* for appreciated property 50% AGI* for cash
<b>Administration</b>	Detailed annual filing with IRS	All recordkeeping and accounting carried out by the Cleveland Foundation	All recordkeeping and accounting carried out by the Cleveland Foundation
<b>Grantmaking Expertise</b>	Professional staff, if any (unusual for a small foundation)	The Cleveland Foundation staff assistance to review and monitor proposals	The Cleveland Foundation staff assistance to review and monitor proposals
<b>Control</b>	Trustees have complete control of distributions and responsibility for asset management	Donor-advisor may make grant recommendations.	Own board of directors, a majority of whom are appointed by the Cleveland Foundation
<b>Cost</b>	\$ _____ Fill in annual operating costs – include legal and accounting fees, insurance, office space, staff and miscellaneous expenses	No cost to establish. Annual fees assessed are: \$250 for funds established with under \$25,000; 90 basis points for funds between \$25,000 and \$1 million; and 50 basis points for funds over \$1 million.	No cost to establish. Annual fees are 75 basis points for funds with assets from \$5 million to \$7 million, and 50 basis points for funds with assets greater than \$7 million on market value of fund plus investment fee.

\* Adjusted gross income