

THE OCF ADVANTAGE: Expertise in Oregon and Donor Support

| | OCF DONOR ADVISED FUNDS | COMMERCIAL DONOR ADVISED FUNDS | OCF SUPPORTING ORGANIZATIONS | PRIVATE FOUNDATIONS |
|--------------------------------------|---|--|---|---|
| PROCESS TO CREATE | Simple fund agreement between donor and OCF; can be set up immediately. | Agreement between donor and commercial entity. | Each supporting organization is included under the umbrella of OCF but has its own tax ID number. Requires additional legal fees and documentation to set up, and can take several weeks. | Must incorporate as a nonprofit or be created as a trust and apply to the IRS for tax-exempt status. Requires additional legal fees to set up, and can take several months. |
| MINIMUM CONTRIBUTION | \$25,000, or \$5,000 to create step-up fund. | Varies. | \$5 million. | Most recommend at least \$5M to be successful. |
| SERVICES | Service and relationship based. OCF supports donors' philanthropy by helping define giving strategies that reflect their interests, engaging family members, offering peer learning opportunities, making connections with fellow donors and providing qualitative vetting of nonprofits. | Typically transaction-based. Most do not offer personalized advice on grantee selection, nor expertise and research on Oregon nonprofits. | In addition to support provided to donor advised fund donors, OCF also provides administrative, investment management, accounting and grantmaking services. | Board must arrange and support all grantmaking. Any additional support must be provided by the private foundation's staff or contractor. |
| INVESTMENTS | Donor selects from two portfolios created by OCF. Our main pool and social impact pool assets are managed by investment managers selected by OCF. | Donor selects from pools offered by commercial entity. | Donor and OCF work together to appoint a board with an OCF majority. Board controls investment strategy and may also select managers. | Donor appoints board or trustees who manage investments. |
| GRANTMAKING | Donor recommends grants to qualified nonprofit organizations; 50% of overall grants required to support nonprofits in Oregon. Staff can: <ul style="list-style-type: none"> Identify community needs. Perform qualitative vetting of nonprofits. Share grant proposals from Oregon nonprofits. | Donor recommends grants to qualified nonprofit organizations. Most do not offer personalized advice on grantee selection. | Donor and OCF work together to appoint board with an OCF majority. Board controls grantmaking, but OCF performs all due diligence and back-office work. | Donor appoints board that controls grantmaking and conducts due diligence to ensure grant recipients are qualified nonprofits. |
| FUND DURATION AND DONOR INTENT | Donor may name one generation of successor advisor(s) to the fund. OCF's expertise and knowledge of Oregon nonprofits allows it to carry out donor intent into perpetuity. | Duration determined by commercial entity. Most do not offer ongoing expertise about Oregon nonprofits to carry out donor intent into perpetuity. | Board continues into perpetuity and can involve future generations. OCF's expertise and knowledge of Oregon nonprofits allows it to carry out donor intent into perpetuity. | Board continues into perpetuity if there is ongoing interest and can involve future generations. Insuring donor intent depends on expertise and commitment of future board and staff. |
| CHARITABLE DEDUCTIONS | Cash: up to 60% of adjusted gross income (AGI). Publicly traded securities: FMV up to 30% of AGI. Real estate: FMV up to 30% of AGI. | Cash: up to 60% of AGI. Publicly traded securities: FMV up to 30% of AGI. Real estate: FMV up to 30% of AGI. | Cash: up to 60% of AGI. Publicly traded securities: FMV up to 30% of AGI. Real estate: FMV up to 30% of AGI. | Cash: up to 30% of AGI. Publicly traded securities: FMV up to 20% of AGI. Real estate: deductible at cost basis. |
| CHARITABLE DISTRIBUTION REQUIREMENTS | None. | None. | None. | Annual distribution of 5% of assets. |
| ADMINISTRATIVE CONSIDERATIONS | None. All handled by OCF. Fees charged support OCF's mission to improve lives in Oregon. | None. Fees charged benefit commercial entity. | Form 990 filing and audit are completed by OCF. Family member may not serve as paid staff member. | Donor must independently perform all financial and administrative services or hire staff to do so. Annual Form 990 PF and reporting required. Excise tax of up to 2% of net investment earnings; other taxes may apply. Family member may serve as paid staff member. |
| TAX STATUS | Public charity as a fund under OCF's public charity status. | Public charity. | Public charity as a separate 501(c)(3) entity under §509(a)(3). | Private charity as a separate 501(c)(3) entity under §509(a). |