

# Discover the benefits of a local Foundation

Items to consider when establishing a Donor Advised Fund



## Comparing two approaches

General Fund Requirement	Community Foundation of North Central Massachusetts*	Large Mutual Fund Company*
<i>Minimum gift to establish a fund (Individual)</i>	\$2,500 and contribute \$10K within four years	\$5,000
<i>Minimum gift to establish a fund (Corporate)</i>	\$2,500 and contribute \$10K within four years	\$25,000
<i>Minimum subsequent gift (individual)</i>	Any amount	Any amount
<i>Minimum subsequent gift (corporate)</i>	Any amount	Any amount
<b>Fund Fee</b>		
<i>Administrative Fee Charge. To see detailed fee structure, please visit our website at cfnm.org</i>	Tiered fee schedule for individual or corporate funds: 1% to .10%, First \$2M - 1.0% Next \$3M - .25% Amounts above \$5M - .10%	<b>Individual</b> , first \$500K: .60% or \$100, whichever is greater <b>Corporate</b> , first \$500K: .60% or \$500, whichever is greater. Next \$500K - .30% Next \$1.5M - .20% Next \$2.499M - .15%
<i>Money Management Fee</i>	.56% (Long-term Fund)	.77% (Growth Fund)
<b>WEIGHTED AVERAGE FEES</b> <i>(For balances up to \$4.99M)</i>	<b>1.56% to 1.11%</b>	<b>1.37% to .995%</b>
<i>Fee stays in the community</i>	Yes	No
<b>Local Impact</b>		
<i>Knowledge of local needs?</i>	Yes	No
<i>Knowledge of local institutions ?</i>	Yes	No
<i>Can leverage other support within the community?</i>	Yes	No
<b>Fund Options</b>		
<i>Minimum distribution amount</i>	None	\$50
<i>Annually distribution requirements</i>	None	5% of average net assets on a 5-year rolling basis

### A smart decision

Many people are surprised to learn that opening a fund with their local community foundation is very advantageous when compared to a large mutual fund company. In addition to the Community Foundation's competitive fees, there are several distinct advantages:

- **Local knowledge of community needs.**
- **You aren't required to make an annual distribution.**
- **The ability to leave a local lasting legacy.**

\*Subject to change.

