



A LEGACY GIVING INITIATIVE BY

**COMMUNITY  
FOUNDATION  
OF SINGAPORE**

## Comparing Charitable Giving Vehicles

TOPIC	DONOR-ADVISED FUND	STANDALONE PRIVATE FOUNDATION
<b>Startup time &amp; cost</b>	<ul style="list-style-type: none"> <li>Can be established within 4 weeks</li> <li>No set up cost</li> <li>May incur some administrative cost</li> </ul>	<ul style="list-style-type: none"> <li>Requires significant time and resources to set up e.g. wealth planners/lawyers; setting up board; employing staff for grantmaking and administrative expertise</li> <li>High administrative costs</li> </ul>
<b>Tax deductibility</b>	<ul style="list-style-type: none"> <li>The Community Foundation of Singapore (CFS) is a charity with Institution of a Public Character (IPC) status</li> <li>Tax deduction may be given to donations, subject to IRAS regulations</li> </ul>	<ul style="list-style-type: none"> <li>Foundation needs to apply to become a charity with IPC status</li> </ul>
<b>Typical minimum to start</b>	<ul style="list-style-type: none"> <li>Minimum pledge of \$200,000</li> </ul>	<ul style="list-style-type: none"> <li>Assets exceeding \$10 million (preferably)</li> </ul>
<b>Administrative support</b>	<ul style="list-style-type: none"> <li>CFS carries out administrative duties</li> </ul>	<ul style="list-style-type: none"> <li>Requires complex administrative management, usually carried out by paid professional staff</li> <li>Donor may be required to sit on board</li> </ul>
<b>Anonymity and public disclosure</b>	<ul style="list-style-type: none"> <li>Grants can be made anonymously, if desired</li> </ul>	<ul style="list-style-type: none"> <li>Anonymity is not guaranteed; especially if foundation has a family name or family members sit on the board</li> </ul>
<b>Governance and reporting</b>	<ul style="list-style-type: none"> <li>CFS takes care of governance and regulatory reporting requirements</li> </ul>	<ul style="list-style-type: none"> <li>Donor controls selection of board/trustees</li> <li>Foundation responsible for own reporting</li> </ul>
<b>Fiduciary responsibility</b>	<ul style="list-style-type: none"> <li>CFS has full fiduciary responsibility</li> </ul>	<ul style="list-style-type: none"> <li>Board/trustees have full fiduciary responsibility</li> </ul>
<b>Grantmaking control</b>	<ul style="list-style-type: none"> <li>Donor may recommend grants to locally registered charities which are secular and non-political<sup>1</sup></li> </ul>	<ul style="list-style-type: none"> <li>Donor has control of grantmaking decisions subject to internal policies, mandates and board approvals</li> </ul>
<b>Grant disbursement</b>	<ul style="list-style-type: none"> <li>CFS encourages active grantmaking</li> <li>CFS conducts due diligence and identifies suitable programmes in line with donor's interests</li> </ul>	<ul style="list-style-type: none"> <li>No legal requirement for grant disbursement; subject to internal policies</li> <li>Paid professional staff required for grantmaking expertise</li> </ul>
<b>Family involvement and succession</b>	<ul style="list-style-type: none"> <li>Family members can be involved in grantmaking conversations or appointed as successors of donor's fund</li> </ul>	<ul style="list-style-type: none"> <li>Formal involvement of family members</li> <li>Family members usually serve on the board or as staff</li> <li>Donor may select successor board or trustees</li> </ul>
<b>Asset growth potential and investment decisions</b>	<ul style="list-style-type: none"> <li>Yes, for endowment funds</li> <li>All investments are managed by CFS</li> </ul>	<ul style="list-style-type: none"> <li>Assets may grow if invested</li> <li>Donor has decision-making powers for investments; subject to internal policies and board approvals</li> </ul>
<b>Valuation of gifts</b>	<ul style="list-style-type: none"> <li>Fair market value</li> </ul>	<ul style="list-style-type: none"> <li>Fair market value (in general)</li> </ul>

<sup>1</sup> Subject to The Community Foundation of Singapore's charitable objectives.

Note: Gifts to a DAF constitute an outright donation and may qualify for tax deduction subject to IRAS regulations.

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