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Phil Tobin, American Endowment Fund co-founder, launches iGiftFund

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Contributed photo

Phil Tobin

The national donor-advised fund is Tobin's latest philanthropic endeavor after leaving the American Endowment Fund in December 2016. The firm helps clients manage philanthropic donations and clients can start funds through it with as little as \$5,000. The new fund launches as donor-advised funds hit new heights of popularity in the charitable world.

[American Endowment Foundation](#) (AEF) co-founder Phil Tobin officially has launched his latest philanthropic endeavor, [iGiftFund](#), a national donor-advised fund (DAF) in Hudson.

Tobin most recently served AEF as chairman, but left the organization in December 2016. He's been working to get iGiftFund up and running since then, including building out the donor system and registering with the state. AEF supported the launch of the organization, including providing some undisclosed startup funding.

The firm has about a half-dozen clients and "we're letting people know we're out there," Tobin said.

A DAF is a charitable investment account that helps clients manage philanthropic donations, often through multiple generations. Donors can contribute assets ranging from cash and securities to real estate and life insurance. Accounts are personalized for each person with iGiftFund acting as the fund sponsor.

Fund sponsors typically charge fees related to managing the account — if it's working with a client's financial adviser, for example, that fee is passed along — and its own administration fee. The latter fees are usually tiered based on assets under management like most money managers do. Tobin said iGiftFund's fees start at 60 basis points on the first \$500,000 and decrease from there. In Tobin's experience, that fee usually averages out somewhere around 40 basis points.

Funds at iGiftFund start at just \$5,000. The firm has a staff of four today, though more will be added on as it grows.

Tobin said that part of what makes iGiftFund unique is its completely independent status — as opposed to being the charitable entity set up by a larger financial institution, like the [Vanguard Charitable](#) division of [The Vanguard Group](#) — and the experience of the team.

Tobin is best known in the philanthropic sector launching one of the country's first DAFs when he served in the 1980s as CFO of [The Cleveland Foundation](#). That work was followed by the creation of AEF in 1993, which now manages more than \$2 billion in assets and is the largest independent sponsor of DAFs in the country, according to the firm.

There has been a surge in the number of DAFs in recent years – [according to The Economist](#), that could be due to tax benefits as much as the charity aspect – and Tobin views that trend as an opportunity to make philanthropy increasingly accessible to more people as interest in the investment vehicles grows.

"When I left (AEF), they were the 21st largest charity in the country," Tobin said. "So the potential here is huge. The market potential and philanthropy using donor-advised funds is huge."

He added, "In less than three decades, DAFs have become a primary vehicle for giving in America. It's an exciting opportunity for donors, and for me to see my vision for DAFs come true in my lifetime."

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