STARTING A CHARITABLE FUND IS EASY

Many individuals, families and businesses have created funds at Berks County Community Foundation to support the causes and organizations they support. If you decide to join them and start your own named charitable fund at the Community Foundation, you will be in good hands.

A community foundation is a nonprofit corporation that serves as a civic leader for a region by developing, managing, and distributing funds to meet existing and emerging community needs. Today, there are more than 700 community foundations across the United States.

Since Berks County Community Foundation was founded in 1994, we have grown to manage hundreds of charitable funds. Each year, those funds distribute grants and scholarships to support nonprofit organizations, various causes, and local students.

See reverse side for details on starting your own charitable fund.
WHY WORK WITH A COMMUNITY FOUNDATION?

• Compared to the complications of starting a private foundation, we offer convenience and efficiency.
• We have low management costs for our funds. We manage each fund separately, handle all of the administrative paperwork, and we offer a large tax break, too.
• We constantly monitor the needs of the community and the impact of your fund.
• We are specialists in philanthropy. We care about you, not a particular cause or charity, and we encourage you to give to causes you care about.
• Endowment funds that we manage will live forever, and so will we. We won’t ever leave the area or go out of business, so we will always be here making the community a better place to live.

STEP ONE: Determine what you’re passionate about supporting

Some people know right away, while others may want to decide over time. In either case, we are here to help you structure a fund of your own and work with your attorney, accountant, financial advisor, or trust officer to make sure your fund works with your estate plan or current financial goals.

STEP TWO: Sign a fund agreement

Once you decide what you would like to support, you will sign a fund agreement, which is a legally binding document that says you are donating money to the Community Foundation to be used for charity and that the Community Foundation will distribute that money the way that you intended both now and in the future.

STEP THREE: Make an initial donation

Once you and the Community Foundation sign the fund agreement, you have two choices.

First, you could seed the fund with an initial tax-deductible contribution of at least $50,000 and begin making grants right away. The second option is to wait to have the fund start until after you pass away, which can reduce the tax burden on your estate. In that case, you must name the fund as a beneficiary in your will, in your life-insurance plan, or other means within your estate. Then, when you die, the fund will begin making grants to the cause or causes you care about in your name.

Most of the funds at the Community Foundation are endowed funds, which means that each year 4.5% of the fund’s fair market value will be distributed in the manner you specified in your fund agreement. The fair market value is based on the amount you donate plus any investment gains or losses.

Please give us a call to sit down and talk about your charitable goals and ideas. There is no obligation, and sometimes we may even recommend that you achieve your charitable goal in a different way. You can reach us at 610-685-2223 or email us at info@bccf.org.

To determine the method, or mix of methods, that make the most sense for structuring a gift through Berks County Community Foundation, this information should be reviewed with a competent financial, tax or estate planner.

Berks County Community Foundation is a nonprofit 501(c)3 organization that develops, manages and distributes funds for charitable purposes in the community. The official registration and financial information of Berks County Community Foundation may be obtained from the Pennsylvania Department of State by calling toll-free, within Pennsylvania, 1-800-732-0999.