

THE DELAWARE COUNTY COMMUNITY FOUNDATION AND YOU



What is a Community Foundation and How Does it Help You?

A community foundation promotes philanthropy by assisting donors who want to help the community through grant making. Its mission is to foster local philanthropy by assisting donors to fulfill their charitable objectives through lasting legacies and to provide support to meet local needs and improve the quality of life for residents of that community.

The Delaware County Community Foundation has three unique features:

- Local expertise about important projects and programs that are making a significant difference in Delaware County;
- Personalized service to donors who want to maximize the impact of their contribution; and
- A forum to address community issues and needs that will benefit from a broad base response.

What are the different ways you can give?

There are many ways to become part of the Delaware County Community Foundation and make a lasting contribution to your favorite causes and your community.

- Support Delaware County's greatest needs and opportunities by contributing any amount to our Fund for Delaware County.
- Make a planned gift to support a thriving, healthy Delaware County community for years to come.
- Establish and name your own fund, a family fund, a scholarship fund, or memorial fund, with a gift of \$10,000 or more.
- Establish a fund to benefit a specific charity, with a gift of \$10,000 or more
- Focus your gift with a Field of Interest Fund (arts and culture, health/human services, education, environment).
- Give to an existing fund.
- Give anonymously.

What kinds of gifts does the Delaware County Community Foundation accept?

- Cash
- Publicly traded securities
- Closely-held and pre-IPO stock
- IRAs or life insurance with Delaware County Community Foundation as beneficiary
- Remainder of a Charitable Remainder Trust
- Remainder of a Pooled Income Fund
- Lead gift of a Charitable Lead Trust
- Real estate



WHAT LEGACY WILL YOU LEAVE?

Philanthropy means a lot more than simply writing a check. It also means providing, in perpetuity, your continued support for causes about which you care. It gives your children the opportunity to carry on a legacy of family giving. And, combined with careful estate planning, it ensures that your personal resources are utilized in ways that accomplish both your financial and charitable goals.

Growing numbers of professional advisors--attorneys, estate planners, CPAs and financial advisors--use a community foundation to help their clients create their own personal philanthropic legacy. The Delaware County Community Foundation (DCCF) is classified by the IRS as a 501(c)(3) charitable organization; therefore, gifts are tax-deductible to the maximum extent allowed by law. And, as a public charity, DCCF pays no excise tax and is free of many administrative costs and restrictions placed on private foundations.

Gifts to the Delaware County Community Foundation can be made at any time throughout a donor's life to provide funds for current community needs and perpetuity. By establishing a fund with DCCF you receive:

- A) **Permanence:** Your gift to the community is given in perpetuity. DCCF's trusteeship ensures that your contribution will continually meet needs relevant to your interests.
- B) **Commemoration:** Your name or the name of a loved one can live on through your fund. If you prefer, you may choose a name that reflects your fund's charitable purpose.
- C) **Stewardship:** DCCF's Board of Directors, with guidance from its Investment Committee and outside investment counsel, closely monitors the performance of professional investment managers. DCCF makes a full accounting to the community through its annual report, audit, and IRS Form 990. Investment policies are available upon request.
- D) **Grantmaking:** DCCF is focused on Delaware County needs and opportunities and can assist you in identifying charitable organizations and programs that address your particular interests.

Lifetime Gifts

Your charitable interests can be supported during your lifetime—and in perpetuity—through your gift. You will have the satisfaction of seeing your generosity at work, and you can work with DCCF to carry out your charitable objectives.

Future Gifts

DCCF can work with you to articulate your wishes for a gift that would come to us after your lifetime. We accept most planned giving vehicles, including bequests, retirement fund assets and life insurance. If you decide to leave a planned gift to DCCF, please let us know. We want to make sure we have your wishes on record to carry out properly those wishes after your lifetime.

DCCF board members readily make themselves available to meet with potential donors and/or their advisors throughout Delaware County. The Delaware County Community Foundation is a public charity that provides services to develop philanthropy in Delaware County. DCCF does not market products nor engage in any sales activity. All meetings are confidential and informational in nature. To schedule an appointment, please contact the Delaware County Community Foundation at (610) 656-8353 or e-mail us at DCCF@comcast.net.



TYPES OF COMMUNITY FOUNDATION FUNDS

Unrestricted Fund

Unrestricted Funds support a range of programs, services and charitable organizations throughout Delaware County. Each year a diverse committee of volunteers works with the Delaware County Community Foundation (DCCF) board to gather information on community needs and award grants to those nonprofits best positioned to work on those issues. Donors to Unrestricted Funds do not specifically designate a particular cause or area of interest; they rely on DCCF to distribute the funds to areas where the needs are greatest. Unrestricted Funds offer the broadest giving option, allowing grants to benefit the changing needs of Delaware County.

Field of Interest

Donors establish these funds for perpetuity to target areas of special concern to the donor. Grants from these funds are made to meet community needs within a particular funding interest or a certain geographic area within Delaware County. By naming a program area (field of interest) and not a specific organization, flexibility exists to meet the ever-changing needs of the County.

Donor Designated and Nonprofit Organization Endowment Fund
Designated Endowment Funds are created by nonprofit organization board members and individual donors who care about the long-term success of particular nonprofit charities, religious institutions and service clubs. Donors name specific nonprofit organizations as recipients of the distributions generated by the fund. These funds let donors support specific organizations while DCCF ensures professional management and grant monitoring. Grants will be made in the name of the Fund so long as the organization remains charitable, in operation, and consistent with its original purpose.

Donor Advised Fund

An alternative to a private foundation, Donor Advised Funds are an efficient, cost-effective means to enable the donor to establish a fund at the Delaware County Community Foundation without incurring administrative operating burdens. Donors who wish to be active in grantmaking activities often establish this type of fund. Donor Advised Funds offer the ability to make grant recommendations and to include family members in giving decisions, if desired, in order to share your charitable values and ensure a legacy of family giving.

Scholarship Fund

Establishing a Scholarship Fund allows the donor to choose to benefit young persons or those who wish to continue education later in life. Additionally, a donor may name the scholarship's advisory committee and the guidelines for candidate selection. Most scholarships tend to be for a particular high school or a particular field of study.

Memorial Fund

Donors who wish to pay tribute to an individual's legacy upon his/her passing can quickly and cost-effectively create commemorative funds honoring people they hold dear.



FACT SHEET: MANAGING YOUR FUND

Accounting

Contribution checks received are posted to an Endowed or Provisional account designed specifically for your Fund. The Fund Advisor is sent quarterly reports that include deposits, disbursements, changes in the investments, and any fees charged. Upon request, reports can be generated for a fund advisory anytime throughout the year.

Investments

The Endowed Funds are pooled assets and receive a monthly posting of the investment returns allocated on a pro rata basis based on an average daily balance. The Provisional Funds do not accrue earnings.

The Delaware County Community Foundation's Endowment fund investments are invested in accordance with a detailed investment policy. The Community Foundation is committed to prudent investment management strategies and fiscal policies that it believes will lead to the long-term growth of endowment fund principal and meeting Foundation spending policy objectives.

Our investment goal is to maximize total return in any combination of its income components (interest and dividends) and capital appreciation of principal component while carefully weighing the risks involved. This total return approach provides the fewest constraints on investment managers and, therefore, puts the Community Foundation in a better position to demand superior investment performance results.

Investment managers meet with the Investment committee at least quarterly to review the investment portfolio and assess investment performance, and must adhere to the Delaware County Community Foundation's Investment Policies.

Financial, Donor and Compliance Reporting

The Delaware County Community Foundation provides:

- Contribution acknowledgement to donors
- Contribution receipts for IRS tax compliance purposes (fund sponsored events, ticket sales, sponsors and corporate underwriters, and in-kind contributions)
- Accounting for pledges and pledge reminders
- Annual audit and tax compliance

The Delaware County Community Foundation processes contribution acknowledgement letters and receipts for each donor. The Community Foundation uses a standard contribution receipt for all of our Funds. Arrangements can be made to allow for a "special" insert of letter from the fund to its donors.

Fund Distribution

Upon receipt of written notification from the Fund Advisor(s), the Delaware County Community Foundation processes grant checks. Grants can be made to IRS-qualified 501(c)(3) nonprofit organizations throughout the United States. By law, the Delaware County Community Foundation must be sure that these funds will be used for a charitable intent and not private inurement. The Delaware County Community Foundation reserves the right to request evidence for any questionable requests, in order to assure that the funds are used for charitable purposes and as the donors intended.



CASE STATEMENT

The Delaware County Community Foundation was created to promote philanthropy by encouraging donors who want to help the County through grantmaking and preserving local capital for the community. Its mission is to foster local philanthropy by assisting donors to fulfill their charitable objectives through lasting legacies and to provide support to meet local needs and improve the quality of life for residents of Delaware County.

The DCCF is a tax-exempt, independent, publicly supported philanthropic organization established and operated as a permanent collection of endowed funds for the long-term benefit of Delaware County. The foundation actively seeks new, typically large contributions from individuals, estates, corporations, and foundations. Using interest income from invested assets, the foundation will support a broad range of charitable activities that creatively address emerging and changing community needs in such fields as education, arts and culture, health, social services, community development, environment, and civic affairs.

The DCCF encourages donors to make unrestricted gifts in order to build a flexible, permanent endowment. In addition, the foundation works with donors to establish other types of funds, including field-of-interest, designated, donor-advised, special project, and other restricted funds. Donors enjoy the most advantageous tax treatment, the widest flexibility in structure and distribution, and the greatest degree of permanence and stability available in the field of philanthropy. The foundation can receive gifts of many types, such as cash, stocks, assets that have appreciated over time, insurance, real estate, and even existing businesses. Foundation staff will handle all the details of grantmaking, tax filings, registrations, and investing and will respond to requests for support on donors' behalf.

Sources of support for the foundation include:

- Individuals who seek professional assistance with their philanthropy, and prefer an intermediary to deal with grantee requests (rather than establish, or continue to manage, their own private foundations.)
- Gifts and Bequests from individuals who wish to designate DCCF as manager-recipient of new or existing trusts.
- Trust managers in regional banks who want to take advantage of DCCF staff's expertise in distributing grants, while they continue to manage the investment of trustee funds.
- Corporate foundations that wish to take advantage of the cost-efficiencies of having their donations managed externally.
- Estate planners and attorneys who assist their clients with charitable donations.
- Existing private foundations and nonprofit endowments that wish to "roll over" their assets into DCCF, becoming designated funds, with each still maintaining its original purpose.