

DONOR-ADVISED  
FUNDS

DESIGNATED  
FUNDS

FIELD OF  
INTEREST  
FUNDS

NONPROFIT  
ENDOWMENT  
FUNDS

SCHOLARSHIP  
FUNDS

CORPORATE  
PHILANTHROPY  
FUNDS

# PRIVATE FAMILY FOUNDATION ALTERNATIVE



## Charitable Giving Accounts

AT THE FOUNDATION FOR DELAWARE COUNTY

# CONVERT A PRIVATE FOUNDATION INTO A FOUNDATION FUND

For many donors, the burdens of managing a private foundation can overshadow their primary desire to do good. A charitable fund at The Foundation for Delaware County offers an easy alternative.

Charitable funds at The Foundation for Delaware County are powerful vehicles for personal, family, or corporate philanthropy. Instead of being encumbered with the costs and restrictions of a private foundation, a charitable fund is an affordable, flexible tool that simplifies your giving.

The financial and administrative structure of the Foundation ensures the efficiency and impact of your charitable dollars. From managing complex assets to addressing diverse needs, our areas of expertise span the range of challenges philanthropic individuals face. Unlike providers of commercial, charitable funds, the Foundation's sole business is philanthropy—free of any other motivation than philanthropic service to our donors, nonprofits, and communities.

## TRANSFER A FOUNDATION OR TRUST

You can transfer an existing charitable foundation or trust to us. We will ensure that grants are distributed in the spirit of the original objectives, both now and in the future. We take on all the responsibilities for investment, administration, and compliance. Private foundations and trusts converted to a fund can maintain the same name as the former charitable entity, or update as you wish. Trustees can remain involved.

## WHAT YOU KEEP

- Identity
- Charitable Intent
- Grantmaking
- Legacy

## WHAT YOU GAIN

- More Favorable Tax Status
- Professional Investment Management
- Selective Anonymity
- Grantmaking Support

## WHAT YOU LOSE

- Distribution Requirements
- Excise Tax
- Tax Returns and Audits
- High Maintenance Expenses

## BENEFITS OF A PRIVATE FOUNDATION ALTERNATIVE FUND

- Contributions qualify for an immediate income tax deduction at the total fair market value of the asset.
- Pay no capital gains tax on assets donated to The Foundation for Delaware County when they are sold.
- No set-up fees, federal filings, state filings, or separate EIN, as the Foundation owns the fund.
- Recommend which charities to support and when because, unlike private foundations, there is no required distribution each year.
- Receive the assistance of a designated philanthropic advisor – not a call center.
- Retain a level of privacy that works best for you because of how information is presented on the Foundation's tax return.

# COMPARING ADVISED FUNDS & PRIVATE FOUNDATIONS

If you are considering creating a private foundation or starting a donor-advised fund, compare your options below.

		The Foundation for Delaware County Advised Fund	Commercial Advised Fund	Private Foundation
Set-up	Start-Up Costs	None	None	\$5,000-\$10,000 in professional fees.
	Time Frame	Immediate	Immediate	6-12 months to incorporate, create bylaws & obtain 501(c)(3) status.
	Minimum Contributions	No minimum to start fund. \$10,000 required to grant.	Initial contribution requirements vary up to \$ 25,000+.	Typically established with assets of \$7-10+ million.
Fee	Administration	Annual fee 1% of fund balance.	Annual fees vary.	Vary with size and complexity.
Taxes	Cash	Deduction up to 60% adjusted gross income.	Deductions up to 60% adjusted gross income.	Deductions up to 30% adjusted gross income.
	Capital Gain on stock or property	Deduction up to 30% of adjusted gross income.	Deduction up to 30% of adjusted gross income.	Deduction Up to 20% of adjusted gross income.
	Excise Taxes	None	None	1.39%
Administration	Administrative Services	Accounting, audit, due diligence, check writing, etc.	Accounting, audit, due diligence, check writing, etc. Fees vary.	Accounting, audit, due diligence, compliance & legal are the responsibility of the private foundation.
	Investment Options	Investment vehicles selected by PFM Asset Management and overseen by Investment Committee comprised of top financial experts.	Multiple options, in most cases.	Investment vehicles selected and overseen by board.
	Fund Distribution	Any qualified US 501(c)(3) charity, including those delivering international services.	Any qualified US 501(c)(3) charity, including those delivering international services.	Any qualified US 501(c)(3) charity, including those delivering international services.
Visibility	Public Disclosure	Limited public disclosure of fund. Anonymity is possible.	Limited public disclosure of fund. Anonymity is possible.	Grant distributions must be disclosed on the IRS form 990-PF. Asset balance is also public information.
Grantmaking	Community Knowledge	Foundation has in-depth knowledge of local nonprofits and community needs.	Limited or no knowledge of local nonprofits and community needs.	Responsible for assessing nonprofit and community needs.

## THE FOUNDATION FOR DELAWARE COUNTY

We are more than just a platform for charitable funds; we're at the center of a community movement. The Foundation empowers individuals, families, and businesses to maximize their philanthropic potential. We are a catalyst for smarter philanthropy - not just donations, but strategic investments in our shared future.

The exponential power of collective action has transformed the Foundation into one of the largest philanthropic engines in the region. Each year, we distribute more than \$2 million dollars in grants to dozens of nonprofits and community groups that provide vital services and resources for our neighborhoods.

Our work stretches beyond financial assistance. We support local nonprofit organizations by providing skill-building events, training, and resources for staff and board members. We provide forums for funders, government officials, and nonprofit leaders to converge, learn, and foster a dynamic, interconnected community that works together.

Our connection to the communities we serve isn't distant or abstract; it's deep and personal. Our public health programs directly impact thousands of individuals each year, allowing us to both offer essential services and gain a true understanding of community needs.

Join us. Together, we can shape a future where compassion fuels change, where collective generosity amplifies impact, and where we, as one community, empower lives and redefine the landscape of philanthropy.



Visit us online at [delcofoundation.org](http://delcofoundation.org) or in person at  
200 East State Street, Suite 304, Media, PA 19063.

Learn more about the ways we can help you have a positive  
impact on the community and the causes you care about.

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