

10 Easy Steps to Setting up a Fund

Setting up a fund at York County Community Foundation does not have to be time consuming or complicated. We manage and provide an array of special services to more than 400 charitable funds.

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It may take you months or years to decide that you want to make a permanent commitment to a charity or cause that you care about. Most likely, you will consult with family members and trusted advisors. You will want to make sure that you provide for yourself, your loved ones, and the charitable causes that have moved you to this decision.

Once you have made this important decision, setting up a fund at York County Community Foundation does not have to be time consuming or complicated. Since 1961, York County Community Foundation has partnered with hundreds of individuals who have chosen to set up a permanent charitable fund. We presently manage over 400 charitable funds, with assets of over \$50 million.

Our professional staff will consult with you and your financial/legal advisor to discuss the various giving options and how your gift can be shaped to benefit both you and the community you care about.

Basic steps for establishing a fund at the Community Foundation:

- 1. Define your charitable and financial objectives.** Consider how you want your gift to be used, whether or not you want future family members involved, whether or not you want income during your lifetime, how much involvement you want in making grant distributions.
- 2. Select the type of fund that matches your charitable interests.** (See chart. on reverse)
- 3. Choose a name for your fund.** Many donors choose a family name, but you may choose a name that's meaningful to you. Your fund may also remain anonymous.
- 4. Determine what to give.** Almost any kind of asset can be used to start a fund: cash, securities (publicly traded or closely held), real estate or other tangible personal property. Assets with a low cost basis are often wise choices since they offer maximum tax advantages: you pay no capital gains tax and receive a favorable income-tax deduction. You may also wish to review assets inside your qualified retirement plan for possible charitable use. Community Foundation staff is available to discuss various options with you or your advisor.
- 5. Decide if an annuity or charitable trust could benefit you in two ways simultaneously.** 1) provide income for a determined number of years to you or someone you choose; and 2) provide your favorite charities with gifts in perpetuity after the death of the last beneficiary.
- 6. Foundation staff will draft a Gift Instrument for your signature.** This document details the amount and date of gift, name of the Fund, and charitable purpose(s) of the Fund. A minimum of \$25,000 is required to establish a fund.
- 7. The Community Foundation's Board Chair will sign to accept the Gift Instrument .** We return an original to you with an acknowledgement letter. This letter

Once the Fund is established, the Community Foundation will assure that Fund distributions go to qualified charities. You or others may add to the fund at any time and in any amount. The Community Foundation takes care of all the administrative details, providing you with reports on fund activity.

serves as an official receipt for tax purposes.

8. ***Make your gift to York County Community Foundation.*** Give cash or stock. If stock, we will sell the asset and use the proceeds to start your fund. Although the principal is commingled for investment purposes, income and appreciation are returned to the fund. At all times, we work with you and your advisors to ensure that your charitable wishes are clearly understood.

9. ***You may choose to consider naming the Community Foundation in your estate plan.*** This option includes such charitable vehicles as gifts of life insurance, retirement assets, or a bequest. All donors who make plans for future gifts are welcome to join **The 1749 Society** of York County Community Foundation.

10. ***The Community Foundation begins to serve your charitable objectives.***

Once the Fund is established, the Foundation will assure that Fund distributions go to qualified charities. You or others may add to the Fund at any time and in any amount. The Community Foundation takes care of all the administrative details, providing you with reports on fund activity as well as timely notice of all gifts made and grants issued from

TYPES OF FUNDS

Unrestricted An individual/family can make a gift and allow the Community Foundation's Board of Directors to determine where the needs are greatest.

Field of Interest Perfect for those individuals/families that wish to support a general area of interest without designating a specific organization. The Community Foundation will make grants to those organizations most effectively serving the people you want to help- children, literacy projects, the arts or the environment as examples.

Designated Ideal for those individuals/families that wish to support specific charities with annual distributions in perpetuity. With this option an individual or family can make a lasting gift to an organization.

Donor Advised With this type of fund, you and others you name may recommend grants to charitable institutions. This option is particularly attractive to donors who have several varying charities they wish to support. This flexible funding mechanism enables you to be actively involved in grantmaking and to pass along a charitable legacy to your children.

your fund. We are always able to provide documentation to substantiate charitable deductions, and our staff will maintain contact with you for any questions you may have about your Fund.

Finally, and most importantly, you have created a permanent legacy at York County Community Foundation. Your gift marks your personal commitment to philanthropy.

YORK COUNTY COMMUNITY FOUNDATION

York County Community Foundation was created in 1961, encouraging involvement of many donors to benefit a specific geographic area – in this case, York County. Now growing to assets over \$60 million, earnings from those assets are utilized annually to respond to community needs and donor wishes.

York County Community Foundation serves as permanent steward for more than 400 funds established by charitably-minded individuals, families, organizations and corporations. The Community Foundation holds these funds in perpetuity, investing to preserve principal and grow their income. And with this income, the Community Foundation:

- *Makes grants to hundreds of worthwhile charities;*
- *Provides scholarship assistance; and*
- *Underwrites major initiatives in education, health care, children's issues, environment, as well as the arts.*