



## CHARITABLE FUND INVESTMENT PARTNERS MEDALLION PROGRAM

### WHAT IS THE CHARITABLE FUND INVESTMENT PARTNERS MEDALLION PROGRAM?

The Charitable Fund Investment Partners Medallion Program is a collaboration between investment managers and the Chester County Community Foundation (CCCF).

This program gives investment advisors' clients the opportunity to establish a fund at the Community Foundation, while having the client's specifically chosen advisor continue to manage the asset and receive investment management fees.

Consider the Charitable Fund Investment Partners Medallion Program if you want:

- a simple, flexible way to make strategic, long-term tax-deductible charitable contributions AND
- your charitable fund to be invested by an advisor of your choice.

### WHAT ARE THE BENEFITS OF A DONOR-ADVISED FUND WITH THE COMMUNITY FOUNDATION?

#### 1. Make charitable gifts with ease.

- You create a charitable legacy with an endowed fund that is flexible, efficient and cost effective.
- You benefit multiple charities of your choice and to make gifts anonymously.
- You request charitable grant distributions from your fund at any time to nonprofit organizations anywhere in the U.S.
- Your fund can be a tool for implementing family philanthropy and imparting your charitable values to the next generation. You can name successor advisors to your fund, such as your

children or grandchildren, to carry on your legacy of giving in the future.

#### 2. Benefit from professional services.

- CCCF provides grantmaking expertise and philanthropy support services to maximize the impact of your charitable grants.
- CCCF advises you about needs in the community that best match your charitable interests.
- CCCF provides donor education sessions and information on the most pressing and critical needs in the community.
- CCCF exercises due diligence in screening the charities you wish to support.
- CCCF provides administrative support services, including record keeping, accounting, compliance filings, and grants due diligence, freeing you and your family to focus on other aspects of your philanthropy.

#### 3. Take advantage of potential tax benefits.

- Donations to your donor-advised fund are deductible in the year they are made, even if grant distributions from the fund are made to charities at a later date.
- Donated assets are removed from your taxable estate, thus avoiding potential gift and estate tax.
- Your donor-advised fund will not pay any capital gains tax on appreciated securities.
- Future contributions to your donor-advised fund are fully deductible on a dollar-for-dollar basis in the year they are made.

- Assets in your donor-advised fund grow tax-free, which allows greater charitable giving over time.

#### 4. Time tax deductions and charitable recommendations for maximum effect.

- Contributing to the fund allows you to separate your tax management needs from your charitable goals, addressing each more effectively. For example, if your income increases significantly in a given year, you can make a contribution to your fund to obtain a tax deduction in that year, then decide later which charities you wish to support.
- You advise CCCF regarding the charities that are to receive grants from your fund. You also recommend when and how much to give. CCCF evaluates your recommendations and must approve all final distributions from your fund to ensure compliance with all applicable laws and regulations.

#### HOW CAN YOU GET STARTED?

- To establish your donor-advised fund, you sign an agreement with the Chester County Community Foundation. Your wealth investment advisor is not party to this agreement.
- The minimum amount to start a donor-advised fund in the Charitable Fund Investment Partners Medallion program is \$250,000 with the intent to grow to at least \$1 million. *(The minimum for non-investment partner program funds is \$25,000.)*
- The CCCF Investment Committee undertakes due diligence on your financial investment manager. Your wealth investment manager is expected to follow CCCF Investment Policy.
- Your charitable fund's investment returns are NOT aggregated with other CCCF funds.
- Your charitable fund will be charged a slightly higher administrative fee by CCCF (25 basis points higher than the aggregated fund fee schedule); and your advisor's investment management fees.
- Your advisor's investment performance is reviewed by the CCCF Investment Committee quarterly.
- Your charitable gift is irrevocable. After the gift is made, the assets become the legal property

of CCCF. You recommend grant distributions from the fund. Per IRS regulations, the Community Foundation has final approval on all grant recommendations.

- By law, CCCF must retain the legal right to terminate the relationship with your investment advisor, most especially if performance is far below reasonably prudent community standards.

#### CCCF ANNUAL FEE

- Fund balances up to \$1,000,000 = 1.25 %
- Fund balances from \$1 to \$5 million = 1.00%
- Fund balances over \$5 million = 0.75%

**Note:** *The advisor firm and the Chester County Community Foundation are separate entities and are not affiliates.*

*A donor-advised fund established through the Charitable Fund Investment Partners Medallion Program will pay an administrative fee to the CCCF, according to the schedule established by the Board of Directors, and an investment management fee to the wealth advisory firm, in accordance with its fee schedule. Your advisor will receive a portion of this fee.*

*CCCF does not provide legal or tax advice. You should discuss potential tax benefits with your tax advisor.*

**Founded in 1994, the Chester County Community Foundation is a nonprofit, philanthropic organization created by and for the people of Chester County to strengthen and build community legacy philanthropy. The Foundation offers you and your financial investment advisor local expertise, personalized service, community leadership and charitable gift planning.**

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