

## Left Behind? Why Companies Need Philanthropy Advice, too



It's relatively straightforward to see how philanthropy figures into the financial and estate plans you build for individuals and families. After all, many of these clients are already supporting their favorite community causes, and it's your job to make sure they know about all the options for structuring both their near-term and long-term plans to give to charity using techniques that achieve both philanthropic goals and tax goals. The Chester County Community Foundation works with attorneys, accountants, and financial advisors every single day to help meet clients' needs.

What you might not always consider, though, is that many of your clients are executives in companies whose leaders want the company itself to lean into charitable giving. That's why it's wise to be aware of best practices in corporate philanthropy and know the ways the Community Foundation can help.

For example, establishing a corporate donor-advised fund—essentially functioning and named as a corporate foundation—helps corporate executives organize the company's giving in a convenient, 501(c)(3)-qualified structure, avoiding the time and expense that would be required for the company to establish and maintain a separate foundation entity. The company can fund the corporate donor-advised fund each year (especially in really good years!), thereby organizing charitable donations to a wide range of nonprofits through a single source of funds. This structure can help maintain historical corporate giving levels even when the company experiences a down year.

What's more, companies can coordinate with the Chester County Community Foundation to offer donor-advised funds to employees, especially to take advantage of company stock gifts. A program like this is a perk for employees who'll enjoy organizing their giving and using the Community Foundation's many tools and services. The program can also help inspire employees to get more involved in the community, which is good for everyone.

In many instances, the Community Foundation takes on a back-office role for a company's matching gifts program, grant administration, and giving strategy. For example, the Chester County Community Foundation can help guide corporate leadership in creating and administering a program that matches employees' volunteer time with dollars. In addition, the Community Foundation can help a company create and implement a strategy for responding to and evaluating funding requests to align with the company's goals for supporting and prioritizing causes.

Finally, the Community Foundation can help establish and administer employee giving and disaster relief campaigns. The Community Foundation's tools to receive and process donations can help a company and its employees respond quickly and meaningfully to disasters and other urgent community needs.

Note that many companies appreciate the Chester County Community Foundation's infrastructure, reporting practices, and compliance protocols to ensure that all tax laws and other IRS requirements are met. Instead of the company bearing these responsibilities, it's the community foundation's job. Corporate executives regularly view the relationship with the Community Foundation as a very wise outsourcing move.

The team at the Community Foundation looks forward to working with you and your clients who are corporate executives, or even local [small business](#) owners, who are excited to give back to the community where they've built businesses and developed lasting relationships with employees and customers.

For more information, contact the Chester County Community Foundation:

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*The team at the Chester County Community Foundation is a resource and sounding board as you serve your philanthropic clients. We understand the charitable side of the equation and are happy to serve as a secondary source as you manage the primary relationship with your clients. This newsletter is provided for informational purposes only. It is not intended as legal, accounting, or financial planning advice.*

