

## Case Study: Charitable Giving in a Down Market

As you guide clients through ongoing market uncertainty, you may be noticing that conversations are becoming as much about perspective as performance metrics. While [headlines](#) may or may not ultimately signal a prolonged downturn, the mere possibility of a bear market can influence how clients think about everything from retirement timelines to charitable giving. As an advisor, you have an opportunity to help clients stay grounded and intentional, even when emotions are running high.

Consider this scenario.

When David and Laura arrive at your office for their annual planning meeting, the tone feels different from prior years. In their early 70s and recently retired, David and Laura have always approached financial decisions with a long-term mindset. But today, Laura opens the conversation with a note of concern.

“We’re not panicking,” she says, “but it’s hard to ignore what’s going on in the markets. It just feels unsettled.” You nod. You’ve been hearing similar sentiments from many clients. Even when portfolios remain relatively strong, uncertainty alone can create stress. Studies have consistently shown that financial concerns weigh heavily on emotional well-being across [generations](#), and market volatility tends to [amplify](#) those feelings.

As you walk through David and Laura’s portfolio and estate plan, the numbers tell a reassuring story. Their overall financial plan is still on track, and their estate plan still reflects their goals. But you recognize that this moment calls for more than reassurance. It is an opportunity to reframe how charitable giving fits into the broader picture.

“You’ve both been incredibly consistent in your support of local organizations,” you say. “Tell me how you’re feeling about giving this year.”

David pauses. “We still want to give,” he says. “We just don’t want to make a mistake if the market gets worse.” That hesitation is familiar. Rather than pulling back entirely, many clients simply need a way to move forward with confidence.

You start with a simple reminder.

“Not all stocks are down.”

You point to a portion of their portfolio that has performed well over time. These appreciated positions present an opportunity. By contributing long-term appreciated stock to their donor-advised fund at the Chester County Community Foundation, David and Laura may be able to avoid capital gains tax while supporting the causes they care about. Even in a volatile market, this strategy remains one of the most efficient ways to give.

Laura leans in. “So even now, that still makes sense?”

“It often does,” you reply. “And it can give you flexibility. You can make the gift now, receive the tax benefits, and then take your time recommending grants.”

The conversation begins to shift. Instead of focusing solely on uncertainty, David and Laura are now thinking about options.



You also gently raise another point.

“Market cycles come and go, but community needs don’t pause.”

You explain that periods of economic strain often [increase](#) demand for nonprofit services, particularly for households already feeling the effects of inflation and rising costs. The Community Foundation is closely connected to these needs and can help ensure that their giving is as impactful as possible.

Finally, you mention a strategy they have not yet used.

“Because you’re both over 70 ½, we should also look at Qualified Charitable Distributions from your IRAs.”

You walk them through how a [QCD](#) could satisfy required minimum distributions while avoiding income tax on those amounts. For clients in their stage of life, it is a straightforward and effective way to continue supporting charitable priorities regardless of market conditions. “You can direct your QCDs to certain types of funds at the Community Foundation,” you explain. “You can’t use them to add to your donor-advised fund (at least not [yet](#)), but you *can* support the Community Foundation’s strategic priorities to help the whole region thrive.”

By the end of the meeting, David and Laura feel a renewed sense of clarity. They decide to move forward with a gift of appreciated stock to a donor-advised fund and explore a QCD over the summer to avoid the year-end rush. Just as importantly, they feel reassured that their charitable giving does not need to stop simply because the market feels uncertain.

Situations like this are increasingly common. Even the possibility of a downturn can shape client behavior, but it can also open the door to meaningful planning conversations and help keep charitable giving going [strong](#) across our community. As always, the Chester County Community Foundation is here to help you navigate these discussions—offering practical strategies, local insight, and support for your clients’ charitable goals in every type of market environment.

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