

Berks County Community Foundation Giving Guide

Change starts
with a spark.
Your spark.



BERKS COUNTY
COMMUNITY FOUNDATION



What is a Community Foundation?

A Community Foundation is a nonprofit corporation that serves as a civic leader for a region by developing, managing, and distributing funds to meet existing and emerging community needs. They are created by residents, governed by a volunteer board of directors, and run by professional staff with expertise in identifying the needs of the community. Today, there are more than 900 community foundations serving towns, cities, and geographic regions across the United States.

Who is Berks County Community Foundation?

Our mission is to promote philanthropy and improve the quality of life for the residents of Berks County.

We are a team of passionate, driven people committed to helping you create a better Berks County. Berks County Community Foundation was founded in 1994 to help individuals, families, organizations, and businesses achieve their charitable objectives. We know that change radiates outward, and we help people create a brighter future and a legacy of real transformation for all of us.

What do we do?

The Community Foundation does three things:

We help Berks Countians structure their charitable giving.

The Community Foundation helps individuals, families, and their professional advisors determine the best way to meet their charitable goals. This often includes honoring the memory of a loved one or supporting a cause about which the individual or family cares deeply. In either case, a member of the Community Foundation's staff works with the people involved to determine the best way to meet their charitable objectives.

We professionally manage charitable dollars.

The Community Foundation manages the money in the charitable funds. Funds are created after a simple fund agreement is completed and an initial donation is received. The money is then pooled with the foundation's other

funds and professionally invested to ensure grants or scholarships – and the individual's or family's legacy – continue in perpetuity.

We distribute grants and scholarships and measure their results.

Our program officers are experts in their fields. The program team conducts site visits and researches pressing issues not only at the county level, but also regionally, nationally, and internationally to ensure grants and scholarships are improving the quality of life in Berks County.

Grantees complete a grant agreement and submit a follow-up report at the end of the grant period. Scholarship recipients must confirm they are attending school and plan to use the funding for educational purposes.



Why Give Through Berks County Community Foundation?

We are just as passionate about improving the quality of life in Berks County as you are. The changes you want to see and improvements you want to make are all possible when you work closely with us.

Convenient and efficient:

Compared to starting a private foundation, we offer convenience and efficiency. We manage each fund separately, handle all the administrative paperwork, and we offer a larger tax break, too.

Perpetuity:

Endowment funds we manage will live forever, and so will Berks County Community Foundation. We will never leave the area or go out of business, so we will always be here making the community a better place to live.

Time:

You may make a gift to us now, receive a tax deduction, and have time to plan for your grant distribution later.

Mission:

If you prefer to give to a cause or mission instead of a specific organization, we can help support your chosen discipline in your name or in the name of a loved one.

Diversity:

You may support multiple organizations with a single, annual grant in your name, or in the name of a loved one, forever.



We meet our mission by helping people create charitable funds, managing the money in those funds, and distributing grants and scholarships to benefit the community.



Types of Charitable Funds

Berks County Community Foundation helps people determine the type of fund that best suits their charitable goals. Nearly all our funds are customized to help our donors achieve their philanthropic vision. The Community Foundation's Board of Directors approves all grant recommendations.

Donors generally create one of the following types of funds:

► **Undesignated Funds**

Some donors establish Undesignated Funds, where grants are made to address critical issues in the community, as determined by the Community Foundation's Board of Directors. These grantmaking programs and initiatives evolve and develop over time to meet the emerging needs of the people who live and work in the county. Our expert program officers oversee these initiatives.

► **Field of Interest Funds**

Field of Interest Funds allow donors to support areas of interest, such as education, animal welfare, or the arts. Sometimes the Community Foundation will establish an advisory committee of expert volunteers to guide the distribution of grants.

► **Designated Funds**

Grants from Designated Funds are made regularly to nonprofit agencies that you designate when you set up the fund. Some donors endow a Designated Fund in their will by leaving a charitable bequest to provide annual support to an agency. Sometimes agencies create their own funds to provide everlasting support.

► **Scholarship and Award Funds**

Scholarships and Awards are granted based on specific selection criteria that donors determine when they establish the fund. In many cases, there may be a way to support educational causes in other ways, too, such as through a Field of Interest fund.

► **Donor Advised Funds**

With a Donor Advised Fund, you recommend grants over time to organizations and causes that interest you. Some donors pick family members to serve on an advisory committee that makes the grant recommendations. Many donors set up Donor Advised Funds instead of private foundations. In most cases, Donor Advised Funds offer significant tax and administrative advantages over private foundations.

To determine the method, or mix of methods, that make the most sense for structuring a gift through the Community Foundation, consult a financial, tax or estate planner.



How Do I Start a Fund?

Creating a fund is simple. The impact is immeasurable.

Determine what you're passionate about supporting.

We are here to help you determine what your charitable goals are. You can structure a fund of your own and work with your attorney, accountant, financial advisor, or trust officer to make sure it works with your estate plan or current financial goals. You can also complete our online questionnaire.

Sign a fund agreement.

A fund agreement is a legally binding document that says you are donating money to the Community Foundation to be used for charity. The agreement states the Community Foundation will distribute the money to ensure your charitable intent is honored now and in the future.

Make an initial donation.

You have two options to complete the creation of your fund. First, you can start your fund with an initial tax-deductible amount of at least \$50,000 and begin making grants right away. The second option is to start the fund through your will or estate. Once

you pass away, the fund you created will begin making grants to the cause you care about, ensuring your legacy continues.

Most of the funds at the Community Foundation are endowed funds, which means each year 4.5% of the fund's fair market value, which is based on the amount you donate plus any investment

gains or losses, will be distributed to the charity or cause you named in your fund agreement.

Interested in starting a fund?

Please call 610-685-2223 or email give@bccf.org.

Advantages of Giving Through Berks County Community Foundation

- ▶ If the organization you support goes out of business, or the cause you support is cured, we will work with your original intent to help a similar organization or cause.
- ▶ We oversee all grantees in an impartial manner to ensure your charitable intent.
- ▶ The Community Foundation's assets are invested by excellent, professional financial managers and overseen by a separate investment consultant and volunteer committee.



Planning Your Giving

There are many ways to give back through the Community Foundation. Donations can be made in a variety of ways to any charitable fund we manage. Choose the method that's right for you.

- ▶ **Cash:** The easiest way to give is by cash, check, or credit card.
- ▶ **Bequest:** A bequest is the most common form of planned giving. You may structure the bequest as a percentage or a specific amount of your estate, or a residuary amount.
- ▶ **Individual Retirement Accounts and Other Retirement Plans:** You may use assets held in an individual retirement account (IRA), 401(k), 403(b) or similar account to start a fund at the Community Foundation at the time of your death.
- ▶ **Life Insurance:** You may designate the Community Foundation as the owner and beneficiary of your life insurance policy or as a percentage beneficiary of a policy you own.

We are happy to answer your questions, discuss charitable options with you, and do everything we can to ensure your charitable objectives are fulfilled. Our mission is to promote philanthropy and improve the quality of life for residents of Berks County. We can do that together. We can create a brighter Berks County for us, our children, and future residents. ***Change starts with a spark. Your spark.***



Our Values and Areas of Expertise

Our Areas of Expertise:

Though donor-driven, much of our grantmaking falls within the following areas of expertise:

Arts, Culture, and Humanities

Our funds and programs celebrate the humanities and connect local residents to the many artistic and cultural activities that take place in our community.

Environment and Energy

Our funds support projects and programs that recognize the value of climate resiliency which include promoting energy efficiency, caring for farmland and open space, and reducing our impact on the planet.

Health and Human Services

We work to ensure our community members have access to the health information and quality of life services they need to function at their best.

Lifelong Learning

We're here to help build a community of life-long learners through a variety of professional development programs and scholarships.

Neighborhoods and Economic Development

We manage funds to enhance the places people care about in Berks County.

What are our values?

► Impact: We make a difference.

Every grant we make and action we take is meant to make life better and service the greater good.

► Transparency: We are an open book.

Our work – including our processes, financial information, results, and history – is transparent and open to review and scrutiny by the community.

► Integrity: We honor our commitments.

We are stewards of the legacies of the members of our community who entrusted their charitable gifts and intentions with us to carry out forever.

► Excellence: We exceed expectations.

We always look for ways to do more, be better, and hold ourselves to a higher standard.

► Evidence: We respect facts.

We make decisions based on the best facts we can find. Sometimes new facts will emerge that will force us to rethink long-held beliefs.

Berks County Community Foundation

Berks County Community Foundation develops, manages
and distributes funds for charitable purposes in the
community.



BERKS COUNTY
COMMUNITY
FOUNDATION



The official registration and financial information of Berks County Community Foundation may be obtained from the Pennsylvania Department of State by calling toll-free, within Pennsylvania, 1.800.732.0999. Registration does not imply endorsement.

Contact Us Or Visit Us Online

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Updated 2024