



# DONOR ADVISED GIVING

You can make a gift to your donor advised fund, take a tax deduction for that year, and make charitable donations whenever you wish, be it monthly, annually, or over several years.

Donor Advised Funds at Pasadena Community Foundation (PCF) help donors meet their philanthropic goals in Pasadena and beyond, offering flexible giving options with simplified administration. Donor Advised Funds direct money to any qualified nonprofit in the United States, and can be expendable, invested, or endowed, depending on the donor's needs and giving horizon.

## DONOR ADVISED EXPENDABLE FUND

Minimum Investment \$1,000

This fund acts like a “charitable checking” account. The donor makes a gift of assets to PCF (typically appreciated stock or mutual funds), and then directs the Foundation to make contributions (grants) from their fund to any IRS-approved U.S. public charities.

Many donors choose to replenish their account once per year and have a single record for tax return purposes.

This fund streamlines record-keeping for tax purposes, and the PCF online donor portal makes directing gifts simple. Donors also benefit from PCF's administrative expertise and personal assistance.

## DONOR ADVISED INVESTMENT FUND

Minimum Investment \$50,000

This fund assumes a long-term giving horizon, and is best for donors who wish to make gifts to charities over many years.

Donors establish their fund with a large initial gift (creating a significant one-time tax deduction).

PCF invests the balance of the fund in accordance with the donor's philanthropic goals.

Donors may distribute grants from the fund in any amount.

## DONOR ADVISED ENDOWMENT FUND

Minimum Investment \$10,000

This fund creates a permanent charitable legacy.

Donors establish their fund with a large initial gift (creating a significant one-time tax deduction).

PCF invests the corpus of the fund, preserving it in perpetuity.

The fund's annual grant amount adheres to PCF's annual spending policy, and the donor makes their desired charitable gifts.

## FAMILY FOUNDATION FUNDS

Many donors choose to set up family foundations at PCF with donor advised investment or endowment funds. Whether families are creating a new tradition of philanthropy, or replacing an existing private foundation, working with PCF allows them to simplify administration, direct grantmaking, and receive personal recognition from nonprofit organizations. PCF handles the administration, including tax returns, accounting, and IRS compliance.





## INVESTMENT OPTIONS

PCF now offers three investment options for donor advised investment funds and donor advised endowment funds. All funds are invested in accordance with the Foundation's investment policy statement.

## LONG-TERM INVESTMENT PORTFOLIO

Funds in this portfolio are invested for long-term growth. The objective is to earn a return that allows for distribution of grants while striving to preserve the principal investment, allowing for inflation and expenses, and to fulfill the donor's future philanthropic goals.

## ESG PORTFOLIO (Environmental, Social, Governance)

Funds in this portfolio are invested for long-term growth with a focus on *environmental, social, and governance* (ESG) strategies. Commonly known as "socially-responsible investing," the portfolio will invest in ESG strategies primarily through investment screening, which is the inclusion in or exclusion from a portfolio of certain sectors, companies, or practices based on specific ESG criteria.

## MODERATE INVESTMENT PORTFOLIO

Funds in this portfolio are invested for moderate growth, and intended to fulfill the philanthropic goals of more risk-averse donors. The strategy focuses on capital preservation, implemented through a more conservative risk profile compared to that of the long-term portfolio. The objective is to maintain a balance between preserving the principal and maximizing the charitable impact of the fund.

PCF is a 501c3 public charity; all donations to PCF are tax deductible.

Gifts of appreciated stock avoids capital gains taxes and allows a deduction of the fair market value of the stock. For a gift of securities, contact PCF for transfer instructions.

PCF Donor Advised Fund policies are updated periodically to ensure compliance with National Standards for Community Foundations and IRS regulations and requirements. For a copy of our Donor Advised Handbook, visit [www.pasadenacf.org](http://www.pasadenacf.org)

Please contact PCF for a schedule of fund fees.

We encourage you to discuss all tax strategies with your personal financial advisors.

