



THE FOUNDATION
FOR ENHANCING
COMMUNITIES

WHO IS TFEC?



WHO WE ARE:

For more than 100 years, The Foundation for Enhancing Communities (TFEC) has partnered with donors to invest in our communities and help create lasting legacies. TFEC manages charitable funds, assets and investments from both companies and individuals, facilitating everything from managing the business end of nonprofits to the growth and distribution of charitable dollars in our neighborhoods.

OUR MISSION:

Inspire giving by partnering with donors to achieve their charitable goals, and strengthen our local communities by investing in them now and for future generations.

OUR SERVICES:

- Charitable Funds
- Grants
- Scholarships
- Legacy Giving
- Fiscal Sponsorships
- Management Agreements
- TFEC Properties, Inc.

LIST OF FUNDS

We manage over 600 individual funds for families, individuals and organizations — both for-profit businesses and nonprofits. There are many benefits to creating a charitable fund through TFEC. The most significant is the positive impact you can create for individuals and communities that you care about.

Types of funds include:

- Agency Funds
- Area of Interest Funds
- Committee Advised Funds
- Donor Advised Funds
- Restricted Funds
- Scholarship Funds
- Unrestricted Funds

THE BENEFITS OF GIVING THROUGH TFEC:

Simplicity

You can easily create and add to your personal charitable fund. Many people conveniently manage all their charitable giving through their fund with TFEC.

Flexibility

TFEC works with you to help you meet your philanthropic and life-planning goals. TFEC offers many products and services through which you can leverage your giving and maximize your charitable impact in the community.

Maximum Tax Advantages

As a public charity, TFEC offers you the highest benefits for charitable giving allowed by law.

Professional Investment Management

Within our investment program, TFEC enables donors to recommend an investment mix among investment models of different asset classes. TFEC's funds are pooled, thereby achieving significant economies of scale and maximum diversification. Through TFEC's passive investment strategy, we also strive to keep investment and trading expenses as low as possible, thereby benefiting long-term returns.

Informed Philanthropy

TFEC can help connect you with nonprofit organizations that have a positive impact in the community.

Public Accountability

TFEC is independently audited by a certified public accounting firm and makes its annual IRS Form 990 available on our website, www.tfec.org.

Permanence

TFEC supports our community now and for generations to come. If the original beneficiary of the fund ceases to exist, TFEC's Board of Directors has the legal authority to redirect the fund to the most closely related use. This "variance power" assures donors that their original intent will be honored regardless of changing circumstances.

Recognition

Through TFEC's Annual Report, website, and periodic events each year, you will receive recognition for your charitable generosity; alternatively, you can choose to remain anonymous about your charitable giving.

Generational Giving

You can establish a fund that involves your family in charitable giving, allowing you to advise grants from the fund. This can help teach your future generations about the power of philanthropy to effect positive change in your community.

Ways Donors Can Give

Gifts can be used to create a named fund with TFEC, or they can serve as a contribution to any existing fund.

- Direct Gifts of Assets
 - Cash
 - Marketable Securities
 - Closely Held Business Stock
 - Mutual Funds
 - Real Estate
 - Cryptocurrency
 - Tangible Personal Property (such as Art, Collections, Antiques)
 - Life Insurance Policies
 - Qualified Retirement Plan Assets (IRA, 401(k), 403(b), Pension)

- Giving vehicles that provide income to the donor or donor designee
 - Charitable Remainder Unitrust (variable income payments)
 - Charitable Remainder Annuity Trust (fixed income payments)
 - Some Life Insurance Products
- Legacy Gift Options
 - Charitable Lead Trust
 - Gift of Real Estate with a Retained Life Interest
 - Bequest in a Will
 - Bank and Savings Accounts, Mutual Funds and Brokerage Accounts and other Assignable Contracts and Agreements

Initiatives of TFEC

- **Early Education Initiative**
 - The TFEC Early Education Initiative is guided by the expertise of the TFEC Early Education Advisory Committee. The membership of this group consists of early childhood stakeholders who represent the assets and needs of children and early childhood professionals within our area communities.
 - » Mission: Cultivate, convene, and strengthen community opportunities for growth, safety and wellness for all children, now and for future generations
- **The Fund for Women & Girls**
 - The Fund for Women & Girls Initiative is an endowment fund that was created in 2000 to grow in perpetuity. The initiative provides grants to help women and girls lift themselves to a better standard of living and to reach their true potential.
 - » Mission: Broaden awareness of and respond to issues affecting women and girls through the power of collective philanthropy
- **Emerging Philanthropists Program (EPP)**
 - The goal of the EPP is to engage Central PA's emerging business and community leaders with philanthropic endeavors in Central PA. Since its inception in 2014, EPP has seen over 126 individuals complete and graduate from the program.
 - » Members of the class learn:
 - What it means to be philanthropic
 - How to understand the needs of the community
 - How to get involved and give back

Partnership Services

TFEC is a great partner for your private foundation or financial institution to achieve your goal of investing in deserving students through a scholarship program or nonprofits through a grant program.

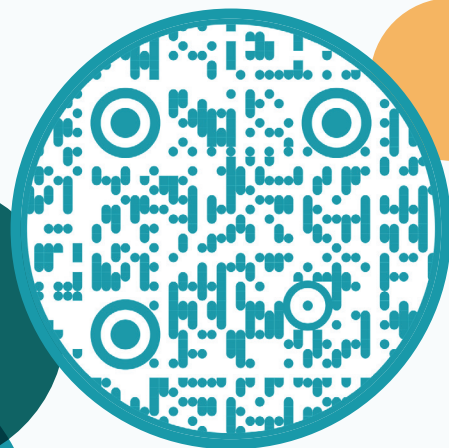
With ever-changing government regulations, payout requirements, etc., trustees can have personal liability if the program is not administered properly. Partnering with TFEC for your program through a Management Service Agreement or a fund at TFEC alleviates the administrative burden on your organization and allows you to focus on your mission.

TFEC's experienced team will:

- Promote scholarship and grant opportunities
- Prepare online applications
- Receive scholarship and grant applications
- Prepare materials for scholarship and grant decision meetings
- Attend decision meetings, if desired
- Process acceptance and rejection letters
- Administer disbursement of scholarship and grant funds

TFEC can also:

- Make scholarship and grant recommendations, if desired
- Assist with a scholarship plan for proactive approaches and increased impact



Scan the QR code to schedule time with a philanthropic advisor.

COMPARING FOUR APPROACHES TO GIVING

TFEC offers compelling advantages over other charitable options. Discover the benefits of partnering with us.

Items to Consider	TFEC Donor-Advised Fund	Private Foundation	Commercial Gift Fund (i.e. Fidelity)	Direct Gift To A Nonprofit Organization
Start-up Considerations:				
Costs	None	Several thousand dollars for legal and account expenses and filing fees	None	N/A
Time Frame	Immediate	Several months	Immediate	N/A
Minimum Contribution	\$10,000 over 5 years	Not cost-effective unless \$8 million or more	Usually \$10,000 to \$25,000 for individuals	N/A
Investment and Tax Considerations:				
Investment	Donor may choose from TFEC's investment options	Donor-appointed board controls investments	Donor may choose from among firm's investment pools	N/A
Tax Status	Covered under TFEC's public nonprofit federally tax-exempt status	Must apply to IRS for private foundation federal tax-exempt status	Covered under nonprofit federally tax-exempt status of corporate entity's charitable subsidiary	Covered under federally tax-exempt nonprofit organization's public charity status

Items to Consider	TFEC Donor-Advised Fund	Private Foundation	Commercial Gift Fund (i.e. Fidelity)	Direct Gift To A Nonprofit Organization
Income Tax Dedications for Gifts of:				
Cash	Up to 60% of federal adjusted gross income	Up to 30% of federal adjusted gross income	Up to 60% of federal adjusted gross income	Up to 60% of federal adjusted gross income
Publicly Traded Securities	Fair market value up to 30% of federal adjusted gross income	Fair market value up to 20% of federal adjusted gross income	Fair market value up to 30% of federal adjusted gross income	Fair market value up to 30% of federal adjusted gross income
Real Estate & Closely Held Securities	Fair market value up to 30% of federal adjusted gross income	Deductible at cost basis	Fair market value up to 30% of federal adjusted gross income; usually not accepted	Fair market value up to 30% of federal adjusted gross income; usually not accepted



Items to Consider	TFEC Donor-Advised Fund	Private Foundation	Commercial Gift Fund (i.e. Fidelity)	Direct Gift To A Nonprofit Organization
Grantmaking:				
Grantmaking Involvement and Control	Donor recommends grants to qualified nonprofit organizations, subject to approval by TFEC's Board of Directors	Donor-appointed board controls grantmaking decisions	Donor recommends grants to qualified nonprofit organizations, subject to approval by trustees of the gift fund	Donor makes gifts based on their own research and intuition; gifts are made directly to the nonprofit organization and control is limited to initial gift decision
Grantmaking Expertise	Staff can help identify and assess grantees, and provide input on community needs and nonprofit organizations	Must arrange and support its own grantmaking and monitoring structure	Most do not offer personalized advice on grantee selection	N/A
Distribution Requirements	A grant must be made at minimum every three years	At least 5% of net asset value annually; 30% penalty tax on undistributed amount	Varies; some require a minimum of 5% of the fund's net assets on a five-year rolling basis	N/A

Items to Consider	TFEC Donor-Advised Fund	Private Foundation	Commercial Gift Fund (i.e. Fidelity)	Direct Gift To A Nonprofit Organization
Annual Administrative Requirements:				
Fees	0.40% for Investment Management and 1.70% for Administration for a total of 2.10% (prorated monthly)	Grantmaking, administrative, and investment support must be covered	Based on size of fund, usually starting at 1% of assets and declining for larger funds	N/A
Taxes	None	Federal excise tax of 1.39% of net investment income, including net capital gains	None	N/A
Reporting Requirements	None	Annual federal income tax return, including detailed financial schedules	None	N/A
Administrative Requirement	None	Staff salaries and office space to run daily foundation operations	None	N/A
Privacy	Donors may remain anonymous	Donors may remain anonymous, but IRS 990 Form lists officers, directors and trustees	Donors may remain anonymous	Dependent on nonprofit organization's gift giving policies

TFEC provides a streamlined and personalized approach to giving. We offer a variety of tools to help you achieve your charitable goals. Major options for giving entail varying costs and benefits. TFEC can help you review options for custom giving solutions based on your timing preferences, your giving focus and other variables. You can make a gift of cash, stocks, bonds, real estate or other assets to TFEC. Most charitable gifts qualify for a maximum tax advantage under federal law. Most states do not have a gift tax but do have an inheritance or estate tax.



Scan the QR code to schedule time with a philanthropic advisor.

National Standards

TFEC is accredited with the National Standards for U.S. Community Foundations™ — the highest standards for philanthropic excellence since March 2007.

TFEC works to support the causes our region cares about, from supporting the arts and cultivating gardens, to curing illness, expanding literacy and feeding children. A National Standards accreditation means TFEC meets the most rigorous standards in philanthropy and is a promise to the community that TFEC will continue to do this good work, right here in the South Central PA covering Cumberland, Dauphin, Franklin, Lebanon and Perry Counties, as well as the Dillsburg Area.

National Standards is not mandatory. TFEC chose to go above and beyond by affirming our commitment to excellence and accountability. This accreditation provides assurance that we have sound policies and practices in place. In short, it means we meet the highest standards for local giving.

To receive accreditation with the National Standards, TFEC submitted internal policies and procedures to a rigorous review of 26 National Standards, plus three legal sections, in six key areas of community foundation operations, including donor services, investment management, grantmaking and administration.

The National Standards for U.S. Community Foundations™ program was established in 2000 in cooperation with the Council on Foundations. For more information about National Standards, visit www.cfstandards.org.





We're excited to learn more about your philanthropic goals and how we can support them at TFEC. Our team is eager to connect with you, to listen to your aspirations, and to discuss the services we offer that can help bring your goals to life. Below, you will find a QR code that you can use to schedule time with our team to start your philanthropic journey.

Jennifer Doyle
jdoyle@tfec.org

Brooke Clark
bclark@tfec.org

717.236.5040 | www.tfec.org





**THE FOUNDATION
FOR ENHANCING
COMMUNITIES**