



The Pennsylvania State University Charitable Gift Fund – A Donor Advised Fund

Charitable giving yields lasting emotional returns. But when and how you give, and to which organizations, are major decisions that require careful thought. Managing your charitable giving—maximizing its philanthropic impact and tax benefits, in particular—can become more complicated the more you wish to give. A Donor Advised Fund at Penn State offers a simplified and mutually beneficial approach to building your philanthropic legacy.

What Is The Pennsylvania State University Charitable Gift Fund?

The Pennsylvania State University Charitable Gift Fund (PSUCGF)—A Donor Advised Fund is a convenient, flexible, and cost-effective way to support Penn State and other causes that matter to you. You establish a fund at Penn State that will be the source for your charitable contributions. Penn State will manage your fund and make payments to eligible charities of your choice upon your recommendation.

The fund allows you to immediately take advantage of the tax benefits associated with charitable giving, while maintaining the flexibility to decide—at your own pace—when and how you wish to make gifts. Meanwhile, your fund will benefit from the responsible investment practices that have kept Penn State financially sound even through tough economic times. With a Donor Advised Fund through Penn State, your legacy will be managed with the same care as the University's long-term endowment and life income gifts.

How Does It Work?

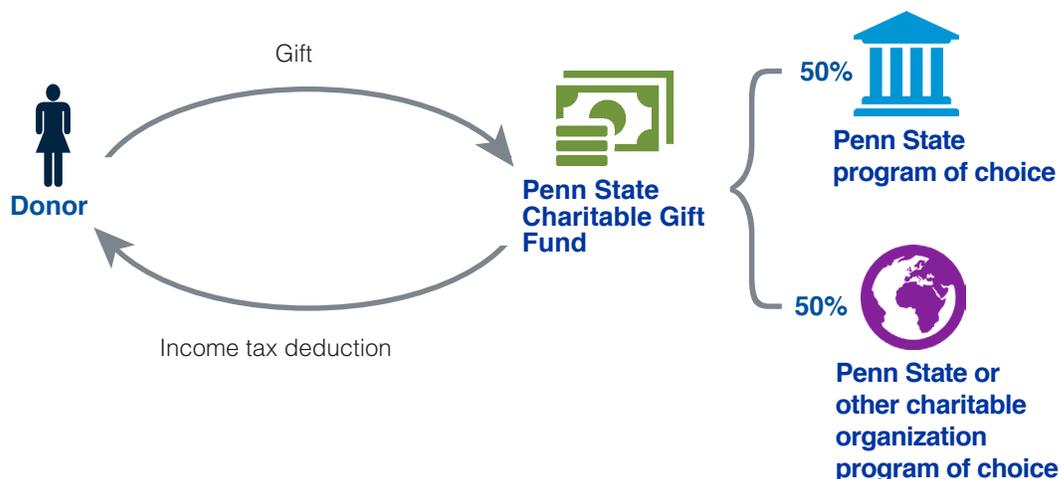
You can establish a Donor Advised Fund with a minimum gift of \$25,000, which may take the form of cash, securities, real estate, or most other asset types. Subsequent contributions need to be a minimum of \$1,000. You receive a tax deduction

and written receipt for the year you contribute, just as if you had given an outright gift to a charitable organization. Penn State invests your fund in one of eight investment options managed and administered by our advisers Kaspick & Company, a subsidiary of TIAA-CREF.

When you are ready to distribute any portion of your fund, you recommend gifts to charitable organizations. Penn State has partnered with Renaissance Charitable Foundation (RCF), a 501(c)3 public charity dedicated to helping individuals effectively reach their philanthropic goals while maximizing the impact of their gifts, to administer the fund and review your recommendations to ensure the charities are eligible for funds. Then RCF will make the payments and handle all of the administrative record keeping and tax reporting, and provide you with full documentation. Please note that distributions from your fund cannot be used to satisfy existing pledges to Penn State or other organizations.

At least 50% of all contributions to your fund must ultimately be gifted to Penn State. You choose which programs and types of support best further your philanthropic vision for the University. The remainder may be distributed to Penn State or to other charities that serve the causes that are most important to you.

Donor Advised Fund Illustration



Let us help you plan.

Penn State's Office of Gift Planning will confidentially answer your questions about giving and work closely with your legal, tax, and other advisers to come up with an integrated plan that meets each of your personal goals. Please contact us anytime or visit our interactive gift planning website at giftplanning.psu.edu.

What Are the Benefits?

- **TAX BENEFITS:** When you establish a Donor Advised Fund, you receive the tax deduction for your charitable donation right away and avoid the excise tax associated with a private foundation.
- **FLEXIBILITY:** You can decide which Penn State programs and eligible charities to support according to your own timetable.
- **LOW COST:** The annual administrative fee is 0.75% (three-fourths of one percent) of the fund principal and decreases on larger accounts.
- **SIMPLICITY:** You can establish one source for your charitable giving, without the complexity of creating a private foundation. When you decide to make gifts to eligible organizations, Penn State will handle the payments and paperwork.
- **EXCELLENT FUND MANAGEMENT:** Penn State's eight investment options, which operate much like a mutual fund, embody the University's commitment to good stewardship of its endowed gifts and prudent management philosophy.
- **FAMILY PHILANTHROPY:** Families can build a tradition of giving and teach their children the value of philanthropy by involving them in the decisions about which grants to recommend. Plus, you can name your children as the next generation of fund advisers to carry forward a true legacy of giving.
- **RECOGNITION:** When you establish a Donor Advised Fund, you will be invited to join The Ather-ton Society, which recognizes donors who have established a planned gift at Penn State. You may also be eligible for membership in other giving societies based on the portion of your fund that you gift to Penn State.

Office of Gift Planning
The Pennsylvania State University
212 103 Building
University Park, PA 16802

Toll-free: 888-800-9170
Fax: 814-865-0893
Email: GiftPlanning@psu.edu
giftplanning.psu.edu