

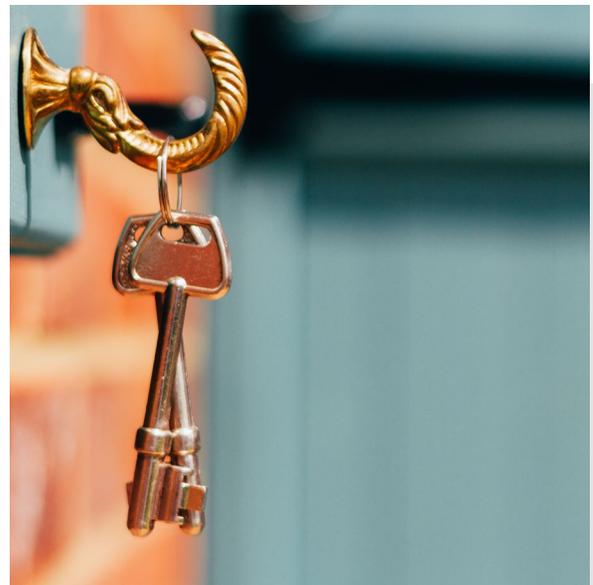
Turning Passion into Impact: How to Optimize Your Charitable Giving

Today's philanthropists want to channel the desire to "do something" into purposeful and strategic action, investing in people and programs to make a difference. But for many, understanding how to discover a passion, effectively incorporate giving goals and navigate available giving vehicles can be overwhelming. In our experience, we have found successful outcomes may be achieved through focus, discipline and sound planning.

Discovering your passion

To discover your inner passion, ask the following questions to help identify core personal values and recognize the influences that frame your perspective:

- Who has significantly impacted my life and why?
What did I learn as a result?
- Is there a particular lesson or idea I want others to remember?
- What do I see as my greatest accomplishments and why?
- What values and experiences guide my life choices?
- What is the legacy for which I wish to be known?
- What would the people closest to me say that I stand for?



The answers may reveal themes and patterns that will narrow your focus to areas where you are most passionate, building a bridge between good intentions and the fulfillment of your philanthropic goals.



Taking a planned, purposeful approach

“Checkbook philanthropy” (i.e., simply writing checks to support selected organizations or causes) is an intuitive and easy way to support a cause or charity. A planned approach, on the other hand, guides you to think more boldly and broadly about what matters most to you, the impact you want to have and the degree of direct family involvement you hope to achieve. It means having a strategy to reach your full potential – and derive the greatest satisfaction from giving.

Before creating such a plan, it is important to have a clear understanding of your passions, values and philanthropic vision. Whether it is supporting an educational institution, a global cause or community initiative, you should carefully assess the benefits, practical outcomes and even the scope and scale of giving – local, national or global. Also consider the legacy for which you and your family want to be known.

The plan should clearly define objectives and areas of focus. The plan develops as relevant procedures and guidelines are added that are structured, sustainable and attainable. One of the most challenging steps is selecting an appropriate giving vehicle to reach the desired outcome. Determining goals upfront may help make this decision easier. Ask yourself:

- What are the goals I aim to achieve through my giving?
- How much of my assets do I want to give, and when?
- How long do I want my giving to last?
- How do I involve my family?

A third-party advisor such as Glenmede assists in the planning process and provides impartial guidance. For example, we could facilitate family discussions around defining goals, help establish a formal mission statement and educate donors about the wide range of giving options. Some of the most common possibilities include private foundations, giving circles, donor-advised funds and personal giving.

Articulating objectives

Like a business plan, a philanthropic plan articulates future objectives and the means for achieving them with sufficient details. A practical working document should incorporate structures, guidelines and governance roles and responsibilities, as well as procedures for ongoing monitoring, assessment and refinement. A philanthropic plan may benefit from diverse strategies, and the subsequent goals may be incorporated into your portfolio.

Any decisions in the plan should reflect your long-term strategy. For example, consider whether giving should be concentrated with a single organization, cause or geography or spread out among many. While you can stipulate the way gifts are to be used, it is not necessary for each dollar to be earmarked for a specific purpose. Unrestricted gifts can play a vital role, helping organizations cover essential operating expenses.

Also, plans may evolve over time. For example, you might decide to support certain charities for three to five years, allowing the recipient organizations to budget accordingly, then opt to support different organizations in the future.



Engaging family members

Involving family members yields a range of significant benefits, including:

- Providing a means to pass on core values
- Creating a larger pool of assets to amplify their impact
- Preserving a founding mission across multiple generations

From vision to reality

One of the great dividends of achieving financial success is the pleasure of giving back. Giving strategically with careful planning enables thoughtful allocation of assets for greater impact.

Adopting a hands-on approach to philanthropy can help you undertake your personal journey inspired by life experiences and passions discovered along the way. Creating a focused, sustainable plan while remaining open to diverse opportunities can help you make the significant impact you desire.

If you have any questions, please reach out to Ken Spruill, kenneth.spruill@glenmede.com.

UNDERSTANDING PHILANTHROPIC VEHICLES

Outright gifts of cash or appreciated securities	Individual charitable gifts made through cash/check, stock or other assets
<u>Donor-advised fund</u>	A giving vehicle established at a public charity that allows donors to make contributions, receive an immediate tax deduction and recommend grants from the fund over time
Testamentary gift	Any charitable gift that takes effect at the donor's death, including life insurance, retirement benefits, and gifts from an estate or trust
Charitable lead trust	A trust that generates current income paid to designated charities over a specified period; afterward, the remainder is paid to the donor's heirs or other beneficiaries
Charitable remainder trust	A trust that generates current income for the grantor or other beneficiary over a specified period; afterward, the remainder is paid to designated charities
<u>Private foundation</u>	A nonprofit organization typically formed by one donor or family to provide grants that fund charitable activities
Giving circle	A group of individuals who raise, pool and grant money collectively and may also donate their time and skills



CASE STUDY: Connecting with a cause

With warm memories of volunteering as a Big Sister in college and, more recently, donating career-appropriate apparel for women returning to the workforce, a Glenmede client connected with a cause close to her heart: helping women succeed. Based on a series of conversations, a formal mission statement took shape: to empower women to lead more meaningful, independent and productive lives by supporting programs that foster long-term change in education, health and economic security.

After reviewing the available giving vehicles, the client determined that a private foundation best met her objectives. Over the next year, Glenmede worked with her to develop giving guidelines, formulate a budget and research organizations that provide skills training for women returning to the workforce.



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