



*A service of Passive Capital Management, LLC - a registered investment advisor*

Sir Winston Churchill wrote, **“We make a living by what we get, but we make a life by what we give.”**

The vast majority of charitable giving in the United States comes from individual donors and families – more than 73% of the nearly \$300 billion in gifts for 2010 – rather than from large foundations or corporations, according to Giving USA.

## **YOUR PRIORITIES**

Building a tradition of family philanthropy can be fulfilling and enjoyable. Discussing and setting philanthropic priorities is one of the many ways that parents and grandparents can pass on values to children and grandchildren. The team at Passive Capital Management, LLC is pleased to introduce PCM Charitable, a service for our clients to extend our investment philosophy to their philanthropic assets.

The central purpose of PCM Charitable is to provide personalized investment management for your philanthropic funds. The investment professionals at PCM work together with our strategic partner, Charles Schwab & Co, with the goal of helping you build your charitable legacy in the most cost-effective, tax-efficient way.

## **DONOR-ADVISED FUNDS**

For most individuals and families, a Donor-Advised Fund can be an excellent solution. A Donor-Advised Fund is a family foundation alternative that provides a simple, flexible, efficient way to manage your charitable giving. You and your family may enjoy immediate and maximum tax advantages, make grants on a flexible timetable, build your charitable legacy, and increase your philanthropic funds for future giving. DAFs also provide privacy and anonymity.

## **THE VALUE OF SIMPLICITY**

Charles Schwab & Co handles every aspect of the administration for your Donor-Advised Fund, for a modest annual operating fee. Unlike a Private Foundation, a Donor-Advised Fund does not require complex IRS reporting, attorney’s fees or a board of trustees. PCM handles the portfolio construction and management, and takes care of liquidating assets as needed for grant-making. You need only make decisions about worthy recipients of your gifts.

Individuals or families who currently have a private foundation may wish to learn about reducing operating costs and paperwork, while increasing privacy and tax-efficiency.

*As always, you should consult a qualified tax attorney or accountant before making any decisions with tax implications.*

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