

CAUSE CONNECTION

Connecting people who care to causes that matter

Philanthropy: It's a marathon, not a sprint



As 2025 continues to bring new challenges, it's a good time to revisit your philanthropic goals. Charitable giving remains a meaningful strategy—even in uncertain times. These three trends can help you stay focused and inspired. As always, the Lehigh Valley Community Foundation team is here to support you. Your generosity creates both tax advantages and lasting community impact. Thank you for all you do to help strengthen the Lehigh Valley through your giving.

You're still making an impact

Overall giving may shift in tough economies, but donors like you continue supporting what matters. Historically, giving bounces back quickly when markets recover. Donor-advised funds (DAFs) have proven strong and even grown during downturns, offering nonprofits steady help and giving you flexible options. When needs in our region increase, your LVCF fund helps meet them. You stay connected to the causes you love—and to the difference you're making.



Policy changes are underway

Key tax laws from the Tax Cuts and Jobs Act (TCJA) may expire after 2025. One proposed bill—the [Death Tax Repeal Act of 2025](#)—would permanently end the federal estate and generation-skipping taxes. Another [law](#) would let individuals 70½ and older make Qualified Charitable Distributions from IRAs to DAFs. If passed, it could open new doors for giving through your LVCF fund.



Think long-term

You may wonder if philanthropy really moves the needle. The answer is yes. So-called “[big bet](#)” philanthropy is on the rise—investing in deep, sustained efforts to address tough social problems. These approaches demand ongoing commitment and collaboration between donors and nonprofits. LVCF is uniquely positioned to help you pursue lasting change through thoughtful, long-haul strategies that match your values and vision.



Moving a Private Foundation to a DAF

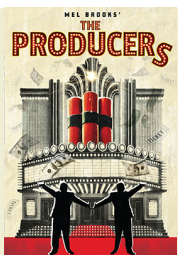


If you've ever created a [private foundation](#)—or are involved with one—you're not alone. Across the country, nearly 150,000 private foundations hold over \$1 trillion in assets. Many families originally set up private foundations to organize and formalize their giving, especially when a family legacy or shared mission is involved.

Family foundations can struggle when members lose interest or move away because managing the foundation's legal, financial, and grantmaking responsibilities often requires ongoing, hands-on involvement. Without active participation, the burden of administration can fall unevenly or be neglected, leading to governance challenges and reduced impact.

But now, more and more individuals and families are discovering a simpler, better way to give: [Donor-Advised Funds](#) with community foundations. Nearly 2 million DAFs exist today, with annual grants totaling up to \$50 billion. Many families are even choosing to move their private foundations into donor-advised funds at their local community foundation—like us here at LVCF—to make charitable giving easier and more impactful.

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A Special Evening for LVCF Fundholders & Legacy Society Members... Pennsylvania Shakespeare Festival

The Community Foundation warmly invites guests to an exclusive evening at the Pennsylvania Shakespeare Festival to enjoy a wine and cheese reception and *The Producers* on Wednesday, June 12, 2025.

Space is limited, and reservations are required. See email for details.



Carrie's Corner

The latest Intel from LVCF's Director of Donor Services

Investing with Purpose

Why LVCF is Exploring Impact Investing

At the Lehigh Valley Community Foundation, we are constantly seeking ways to deepen our connection to the community and better align our resources with our mission. One exciting new approach we're exploring is impact investing—a strategy that lets us put more of our investment dollars to work for local good.

What Is Impact Investing?

Impact investing means investing in companies, organizations, and funds with the intention of generating measurable social or environmental impact alongside a financial return. It's not charity, and it's not traditional investing either—it sits in the middle, using capital to create positive change and earn returns.

While traditional investments often focus only on maximizing profit—typically in national or global markets—impact investments are about being intentional. It's about asking: Can we invest some of our assets in ways that directly benefit the Lehigh Valley while still being financially responsible?

Why This Path Makes Sense for LVCF

There are three main reasons we're moving in this direction:

1 Mission Alignment

As a community foundation, our mission is to improve the quality of life in the Lehigh Valley. Aligning parts of our investment strategy with this mission makes our financial stewardship even more meaningful.

2 Main Street, Not Just Wall Street

Instead of investing only in large corporations across the globe, we want to direct some of our capital back into the Lehigh Valley—to support local housing, small businesses, and community infrastructure. This approach helps ensure our investments do more than grow in value—they help our neighborhoods thrive.

3 Stronger Connections for Fundholders

Many of our fundholders are looking for deeper ways to connect with the communities they care about. Impact investing provides an opportunity to see and feel the effects of their giving and investing more directly and tangibly.

Looking Ahead

We're just at the beginning of this journey. But we believe that by using a portion of our investment assets to serve the same community-focused mission that drives our grantmaking, we can create a deeper, more lasting impact in the Lehigh Valley. Impact investing allows us to do more with what we have. It invites us—and our fundholders—to not only give generously, but to invest wisely and locally.

Why Make the Switch?

1. Less Hassle, More Giving

Managing a private foundation can become a lot of work—especially over time or across generations. Handling investments, filing tax returns, staying compliant with regulations, holding board meetings—it all adds up. If you feel like the administrative work is taking too much energy away from the causes you care about, you're not alone. A [donor-advised fund at LVCF](#) allows you to focus on your charitable impact, while we take care of the paperwork.

2. Fewer Tax Complications

Private foundations must follow strict IRS rules around investments, distributions, and “self-dealing.” These rules can be especially tricky when gifts involve family business interests or complex assets. In contrast, donor-advised funds are much more flexible and tax-efficient for these types of charitable contributions. Transferring business interests to a donor-advised fund, for example, is typically far more favorable from a tax perspective than doing so with a private foundation.

3. Community Foundation Support

If you're considering a transition, our team at LVCF is here to guide you every step of the way. We'll help you work through the necessary steps to wind down your private foundation and move the assets into a donor-advised fund or other fund—with as little disruption as possible.

Let's Talk

Whether you're ready to make a move now or just exploring options for the future, we'd love to talk. At the Lehigh Valley Community Foundation, we're here to help make your giving easier, more impactful, and more joyful.