



UNDERSTANDING CHARITABLE FUNDS AND COMMUNITY PARTNERSHIPS

At the Scranton Area Community Foundation, we work alongside donors, nonprofit organizations, businesses, families, and community groups to help strengthen Northeastern Pennsylvania through philanthropy and community partnership.

Because charitable funds can support many different types of causes, initiatives, and community projects, people sometimes have questions about how these funds operate and how they relate to the organizations or efforts they support.

This overview is intended to provide general information about how charitable funds at a community foundation work and about the Foundation's role in supporting community-driven philanthropy across our region.

What is a charitable fund at a community foundation?

A charitable fund at the Foundation is established to support a charitable purpose and is administered by the Foundation as part of its mission to build a strong and vibrant community throughout Northeastern Pennsylvania.

As an independent 501(c)(3) public charity, the Foundation receives, manages, and stewards charitable contributions in accordance with charitable laws, donor intent, and the purpose of each fund.

Gifts made to a charitable fund at the Foundation are charitable contributions to the Foundation and may be tax-deductible as allowed by law.

The Foundation provides financial stewardship and fiduciary oversight of charitable assets while helping ensure funds are used in alignment with their intended charitable purpose.

What types of causes can a fund support?

Charitable funds at the Foundation support a wide range of community needs and philanthropic priorities, including:

- Nonprofit programs and community services
 - Scholarships and educational opportunities
 - Health and human services
 - Arts and cultural initiatives
 - Neighborhood revitalization and beautification
 - Parks, trails, recreation, and public spaces
 - Environmental and animal welfare efforts
 - Disaster relief and emergency response
 - Civic engagement and community initiatives
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How is this different from donating directly to an organization?

When a donor contributes to a charitable fund at a community foundation, the contribution is made to the Foundation rather than directly to a nonprofit organization, municipality, school, or project organizer.

The Foundation provides stewardship and oversight of the fund and helps ensure grants and expenditures align with the fund's charitable purpose and applicable guidelines.

In many cases, funds ultimately provide grants to nonprofit organizations or other charitable entities carrying out important work throughout the community.

Can community members organize fundraising efforts for charitable projects?

Absolutely. Community members, volunteer groups, businesses, donors, and "friends of" organizations regularly come together to support causes and projects that matter to their communities.

Examples may include:

- Supporting local nonprofits or community programs
- Establishing scholarship or memorial funds
- Enhancing parks, playgrounds, trails, or public spaces
- Supporting arts, cultural, or library initiatives

- Preserving local history and community assets
- Responding to urgent community or emergency needs

These collaborative efforts are an important part of community philanthropy and help foster local pride, engagement, and long-term community investment.

Does supporting a fund mean someone “owns” or controls a project or organization?

Charitable funds at the Foundation are designed to support community causes and charitable purposes — not to transfer ownership or governance authority.

The Foundation serves as the steward of charitable funds and helps ensure resources are managed in alignment with the fund’s intended purpose, donor intent, and applicable charitable guidelines.

Many funds support the work of nonprofit organizations, schools, municipalities, community initiatives, or public projects through collaboration and partnership. The specific roles and responsibilities of each party may vary depending on the structure of a fund or initiative.

What role does the foundation play?

The Foundation serves as a charitable steward, philanthropic resource, and community partner.

Depending on the structure and purpose of a fund, the Foundation’s role may include:

- Receiving and managing charitable contributions
- Providing financial stewardship and fiduciary oversight
- Supporting charitable grantmaking and community investment
- Helping ensure funds are used for their intended purpose
- Assisting with philanthropic strategy and administration
- Connecting donors, nonprofits, and community initiatives

Community foundations regularly work with a wide range of partners to help support collaborative, community-driven solutions that strengthen the region.

Why do donors and community groups work with a community foundation?

Community foundations can provide a trusted and flexible structure for charitable giving and community-based initiatives.

Working through a community foundation may help:

- Provide an established charitable giving vehicle
 - Offer long-term financial stewardship and oversight
 - Create a tax-deductible avenue for charitable contributions
 - Support collaborative fundraising efforts
 - Simplify administration and financial management
 - Help new or emerging initiatives build capacity
 - Connect projects and donors with broader philanthropic resources and networks
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Questions?

For questions about charitable funds, partnership structures, or community-based philanthropic initiatives, we welcome you to contact the Scranton Area Community Foundation.