



**POOLED  
INCOME FUND**

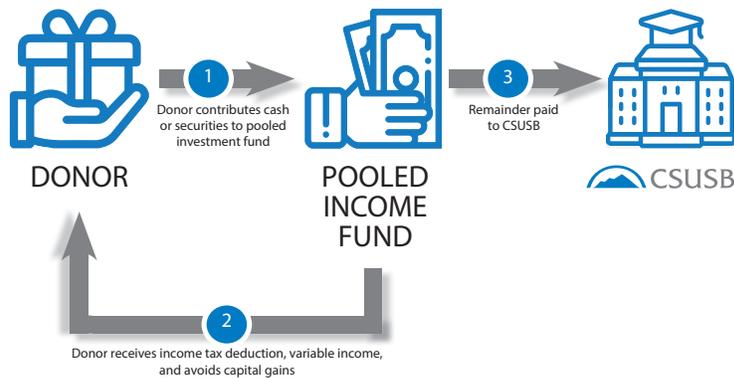
GIFT GUIDE



CALIFORNIA STATE UNIVERSITY  
**SAN BERNARDINO**

Planned Giving

# WHAT IS A POOLED INCOME FUND?



A pooled income fund is a type of charitable trust established and maintained by CSUSB. The fund receives contributions from multiple parties and invests them for the donors. Contributors receive income distributions throughout their lifetime, and may qualify for an immediate partial tax deduction. After they have passed on, the fund distributes the remaining assets to CSUSB.

## POOLED INCOME FUND: FURTHER EXPLAINED

A pooled income fund gets its name from the fact that contributors' resources are pooled with those of other donors for investing purposes. When you pass on, any remaining funds will help to make a significant impact on the future at Cal State San Bernardino.

A pooled income fund allows you and/or your designated beneficiaries to receive a steady stream of income for life. The amount of income you receive depends on the performance of the investments held by the trust, regardless of the number of contributors to the fund. Typically, you should receive more income as you contribute more assets (depending on the performance and value of the assets). The fund takes into account estimated life expectancy, as well as the fair market value of the assets at the time of the contribution, to help determine income distribution amounts.

The frequency of income distributions is typically quarterly or annually, although some funds allow you to choose a payment frequency that suits your needs. However, it is important to note that the trustee of the fund must distribute income within 65 days after the close of the taxable year in which the income is earned.

# BENEFITS OF A POOLED INCOME FUND

## WHAT ARE THE BENEFITS OF A POOLED INCOME FUND?

### Simplicity

Contributing cash or other assets to our pooled income fund is easy. You complete a simple agreement, and there are no set-up fees.

### Low Initial Contribution

The contribution minimum for our fund is lower than other charitable income arrangements. Check with our Office of Planned Giving to see if your gift qualifies.

### A Stream of Income for Life

You will receive a steady stream of income for life. If you are married, you can also add your spouse as a beneficiary.

### Tax Savings

You benefit from an immediate income tax deduction for your gift. The amount of the deduction depends on the gift's fair market value, the beneficiaries' age, and the fund's rate of return.

Assets contributed to a pooled income fund are also removed from the value of the estate, which could help limit the impact of federal estate taxes. This also means the assets avoid probate if the estate enters probate. You will know exactly where the fund's remaining balance goes—to CSUSB.

### Avoidance of Capital Gains Tax

If you gift an appreciated asset, you avoid the capital gains tax that would otherwise be due if you sold the asset.

### Transform Tomorrow at CSUSB

You can leave a lasting legacy gift that will have an important impact on the future, truly allowing you to **transform tomorrow** at Cal State San Bernardino.

# WAYS TO CONTRIBUTE

Generally, you can contribute any liquid asset to a pooled income fund. Commonly used assets include:

- » Cash
- » Stocks
- » Mutual funds

A gift to a pooled income fund might interest you if:

- » You are looking for a way to make a gift to CSUSB
- » You want to receive a steady stream of income for life
- » You have assets that you are able to give away
- » You have a large portion of your portfolio in one company and would like to diversify your investments
- » You want to reduce your current income taxes with an income tax charitable deduction

## ONE GIFT, A LIFETIME INVESTMENT.

A pooled income fund may be a creative solution for you.

You can create added financial security for yourself and your family while helping to **transform tomorrow** at CSUSB by making a gift to a pooled income fund. If you are interested in learning more about the CSUSB pooled income fund, please contact us.

We would be happy to provide you with information about how a pooled income fund gift would work for you based on your circumstances.







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