



The Pooled Income Fund

A Thoughtful Approach to Lifetime Giving and Lasting Impact

Offered by the SDG Global

The Philosophy Behind the Pooled Income Fund

Philanthropy is often described as the art of aligning personal success with a greater purpose. Many benefactors seek ways to support the causes they care about while also ensuring that their financial resources continue to serve their families and their broader vision for the future.

A **Pooled Income Fund (PIF)** offers a thoughtful and balanced approach to this goal.

Through a pooled income fund, benefactors contribute assets to a professionally managed charitable fund. These contributions are combined with those of other donors and invested collectively. The fund generates income that is distributed to the donor or their designated beneficiaries during their lifetime. Over time, the remaining assets ultimately support the charitable mission of the organization.

This structure allows benefactors to participate in a form of philanthropy that is both **active during life and enduring beyond it**.

Rather than viewing philanthropy solely as a future legacy, the PIF allows donors to integrate charitable giving into their present financial strategy.

A Shared Investment in Purpose

The pooled income fund is built on a simple yet powerful concept: **shared stewardship**.

When individuals contribute to the fund, their assets are pooled together and managed as a unified investment portfolio. This collaborative structure offers several meaningful advantages.

First, it allows benefactors to participate in a diversified investment strategy that may be difficult to achieve individually. The pooled structure brings together multiple contributions to create a broader and more resilient investment base.

Second, the model reflects the spirit of philanthropy itself. Donors are not acting alone; they are participating in a collective effort that supports the long-term work of the charity and the communities it serves.

Each contribution strengthens the whole.

A Philanthropic Strategy That Works During Your Lifetime

Many charitable gifts are structured to create impact only after a donor's lifetime. While legacy gifts remain deeply important, many individuals today are seeking ways to align their philanthropic goals with their current financial lives.

The pooled income fund offers a pathway to do exactly that.

By contributing assets to the fund, benefactors can:

- Support meaningful charitable work today
- Receive income generated by the invested assets
- Participate in a long-term philanthropic strategy
- Establish a future charitable legacy

This balance between **lifetime participation and long-term impact** makes the PIF a unique giving vehicle within the philanthropic landscape.

A Complement to Other Philanthropic Tools

Many donors are already familiar with other charitable vehicles, such as donor advised funds and charitable remainder trusts. Each of these structures serves an important purpose within a well-designed philanthropic plan.

A pooled income fund is best understood as a **complementary option** within this broader toolkit.

Donor Advised Funds (DAF)

A donor advised fund is often used as a flexible charitable account that allows donors to recommend grants to nonprofit organizations over time.

This structure is highly effective for **active grantmaking and ongoing charitable support**.

However, donor advised funds are typically designed as **purely charitable accounts**, meaning that the assets placed in the fund are dedicated entirely to philanthropic use.

The pooled income fund introduces an additional dimension by allowing donors to participate in a structure that **integrates charitable giving with a lifetime income stream**.

Charitable Remainder Trusts (CRT)

Charitable remainder trusts are another powerful philanthropic tool that provide income to donors or beneficiaries while ultimately benefiting a charity.

While these trusts can be highly effective, they often require the creation and administration of an individual legal trust structure.

The pooled income fund offers a more streamlined alternative.

Rather than establishing a separate trust, donors participate in a professionally managed pooled structure administered by the charity itself. This approach provides many of the benefits of charitable income planning while maintaining administrative simplicity.

Why Families Choose a Pooled Income Fund

Families and individuals often select a pooled income fund when they are seeking a philanthropic structure that balances **simplicity, financial participation, and lasting charitable impact**.

Common motivations include:

A Desire to Integrate Giving and Financial Planning

Many benefactors want their philanthropy to work alongside their broader financial strategy. The pooled income fund allows charitable contributions to continue generating income during the donor's lifetime while also advancing the mission of the charity.

A Preference for Professional Stewardship

The pooled structure allows contributions to be professionally managed within a diversified investment portfolio overseen by the charity. This provides donors with the confidence that their philanthropic capital is being thoughtfully stewarded.

A Collaborative Approach to Philanthropy

Some donors appreciate the idea that their contribution becomes part of a larger philanthropic community. By participating in a pooled fund, benefactors join others who share a commitment to supporting meaningful charitable work.

A Long-Term Vision for Legacy

The pooled income fund creates a pathway for donors to support charitable work both today and in the future. As the fund grows over time, it strengthens the ability of the charity to pursue its mission for generations to come.

Illustrative Giving Scenarios

Every benefactor's philanthropic journey is unique. The following examples illustrate how a pooled income fund may fit within different charitable strategies.

A Family Seeking Balanced Philanthropy

A family may wish to make a meaningful charitable contribution while continuing to benefit from the income generated by their assets.

By contributing a portion of their investment portfolio to the pooled income fund, they are able to support the charitable mission while maintaining an income stream that complements their financial planning.

Over time, the remaining assets in the fund strengthen the long-term work of the charity.

An Individual Planning for a Charitable Legacy

An individual who has supported charitable causes throughout their life may wish to formalize a philanthropic legacy.

By contributing appreciated assets to the pooled income fund, they create a structure that provides income while establishing a future gift that will continue supporting charitable work beyond their lifetime.

A Donor Complementing an Existing Giving Strategy

Some donors already maintain a donor advised fund or other charitable vehicles.

A pooled income fund can serve as a complementary strategy—providing lifetime income participation while other charitable vehicles remain focused on grantmaking and active philanthropy.

Comparing Philanthropic Giving Options

Many benefactors evaluate several charitable vehicles as they consider their philanthropic strategy.

Feature	PIF	DAF	CRT
Income to Donor	Yes	No	Yes
Administrative Simplicity	High	Very High	Moderate
Professional Investment Management	Yes	Yes	Yes
Grantmaking Flexibility	Limited	High	Limited
Legacy Impact	High	High	High
Structure	Shared charitable fund	Charitable account	Individual trust

Each structure plays an important role within philanthropic planning, and many donors utilize **more than one approach** as part of a comprehensive giving strategy.

Strengthening the Mission of the Charity

Beyond the benefits to donors, the pooled income fund plays an important role in strengthening the long-term mission of the charitable organization.

Over time, the fund creates a growing base of philanthropic capital that supports the organization's future work.

As income is distributed to benefactors during their lifetime, the remaining assets are preserved within the fund and eventually directed toward the charity's mission. This creates a sustainable source of support that allows the organization to plan for the future with greater confidence.

For the charity, the pooled income fund represents a partnership with its benefactors—a shared commitment to long-term impact.

A Partnership for the Future

At its heart, the pooled income fund represents a simple but powerful idea: philanthropy can be both **practical and visionary**.

By bringing together personal financial planning and charitable purpose, the PIF creates a structure that benefits donors, strengthens families, and advances the mission of the charity.

It allows benefactors to participate in a philanthropic strategy that works today while building a legacy that endures for generations.

For individuals and families who believe that their resources should serve both **their lives and their values**, the pooled income fund offers a thoughtful path forward.

Frequently Asked Questions

What types of assets can be contributed to a Pooled Income Fund?

Benefactors may contribute a variety of assets to a pooled income fund, including cash, publicly traded securities, and other financial assets. In many cases, appreciated assets may also be suitable for contribution.

Because each donor's situation is unique, the team at SDG Global works with benefactors and their advisors to determine the most appropriate assets to contribute.

How are the assets invested?

All contributions to the pooled income fund are combined into a professionally managed investment portfolio. The goal of the investment strategy is to generate income for participants while preserving and growing the long-term value of the fund.

The investment approach reflects the stewardship responsibility of the charity and its commitment to supporting its mission for generations to come.

Who receives the income generated by the fund?

Income generated by the pooled fund is distributed to the donor or to individuals designated by the donor. This structure allows benefactors to integrate charitable giving with their personal or family financial planning.

Can multiple beneficiaries receive income?

Yes. Donors may designate more than one income beneficiary. In many cases, benefactors choose to include spouses or other family members as participants in the income stream generated by the fund.

How does a Pooled Income Fund differ from a donor advised fund?

A donor advised fund is primarily designed to facilitate charitable grantmaking over time. Assets contributed to a donor advised fund are dedicated exclusively to charitable purposes.

A pooled income fund, by contrast, integrates charitable giving with a lifetime income stream for the donor or designated beneficiaries. It allows benefactors to participate in the financial life of their charitable contribution while supporting the mission of the charity.

How does a Pooled Income Fund differ from a charitable remainder trust?

A charitable remainder trust is typically established as an individual legal trust that provides income to beneficiaries before ultimately benefiting a charity.

A pooled income fund offers a more collaborative structure in which contributions from multiple donors are invested together within a professionally managed charitable fund. This structure provides many of the benefits of charitable income planning while maintaining administrative simplicity.

How does the Pooled Income Fund support the mission of the charity?

Over time, the pooled income fund creates a growing base of philanthropic capital. As income is distributed to benefactors and their designated beneficiaries, the remaining assets ultimately support the charitable work of the organization.

This structure allows the fund to serve both present and future generations by strengthening the long-term sustainability of the charity's mission.

Learn More

Benefactors interested in learning more about how a pooled income fund may complement their broader philanthropic and financial planning are encouraged to connect with the team at SDG Global.

Our advisors are available to discuss how this approach to giving may align with your charitable goals, family priorities, and long-term vision for impact.

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