



# A Guide for Donors & Their Advisors



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**Greater Flint**

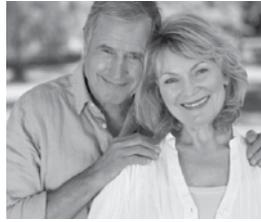


## Everyone Has a Place Here

Everyone can be a philanthropist at the Community Foundation of Greater Flint. Our team draws on an unmatched commitment to service and an understanding of community issues. When you make the Community Foundation your philanthropic partner, your money has more giving power.

## Families and Individuals

We connect smart, thoughtful people with each other and with the charitable vehicles that are best suited to their goals and resources. Many donors we work with are individuals while others are families looking to involve multiple generations in giving. Whoever you are, we are ready to meet your needs.



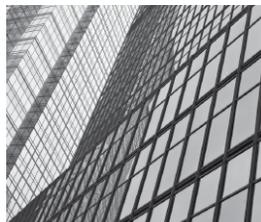
## Professional Advisors

Our Philanthropic Services team is happy to provide you and your professional advisor with the best and most relevant charitable solutions. We explain charitable Fund options, offer alternatives to private foundations, consult on an as needed basis and more. We'll help you create a charitable giving plan that offers you maximum tax benefits within the law. As a public charity, the Community Foundation offers the highest level of tax benefits for charitable giving.



## Corporations

We work with local business leaders to gain a higher return on their company's charitable investment. If your company has a tradition of giving back, and receiving many requests for donations, consider the Community Foundation as your partner in giving. You work with our professional staff to support the causes and organizations you care about most. Your gift – and all future earnings from your gift – is a permanent source of community capital, helping to do good work forever.



## Private Foundations

Many families and individuals created private foundations with the hope of making a charitable impact for generations to come. Over time, many have found managing the administrative aspects of a foundation overwhelming. In response to the growing cost and government regulations, the Community Foundation offers flexible options that accomplish the same objectives of a private foundation but eliminate the administrative responsibilities and major cost drivers.



Our Philanthropic Services team is happy to provide you and your professional advisor with the best and most relevant charitable solutions.

Sometimes you know the issue you care about – children’s literacy, hunger and homelessness, animal welfare or the arts – but you don’t want to give to a specific organization. We can find initiatives and organizations in your chosen discipline and support them *in your name*.

## The Best Choice for You

- 1. You don’t want the expense or paperwork of a private foundation.** In most cases, setting up a charitable Fund with us will give you similar giving opportunities plus a larger tax break. You can start a Fund instantly, will owe nothing in set-up fees and will be free of administrative details.
- 2. You want to leave a legacy that will last.** We manage, publicize and honor nearly 380 separate named Funds. The names and the goals of those Funds live forever.
- 3. You want your legacy to help future generations.** We will always be here making Genesee County an even better place for your children and grandchildren to live. We won’t ever leave the region, go out of business or retire.
- 4. You want ongoing advice about community needs.** We know Flint and Genesee County, its issues and its nonprofits better than any other organization and can help you be a part of solving community challenges.
- 5. You have a complicated financial transaction,** e.g., the sale of a privately-owned business or an inheritance that could impact your tax status. As a public charity, we can receive your gifts now while allowing you time to plan for your charitable distribution.
- 6. You want to give to a cause, not a specific charity.** Sometimes you know the issue you care about – children’s literacy, hunger and homelessness, animal welfare or the arts – but you don’t want to give to a specific organization. We can find initiatives and organizations in your chosen discipline and support them *in your name*.
- 7. You want to support multiple nonprofits with one gift.** It may be important to you to support a special charity that has helped your family, your congregation and a favorite arts organization. With one gift you can arrange to provide these organizations an annual grant in your name forever. You can also create an open-ended Fund that lets us meet future community needs that may not even exist today.

*Your professional advisor can tell you when the Community Foundation of Greater Flint is right for you.*

# 5 Reasons Professional Advisors Like Us

**1. It's all about you, the client.** Like your professional advisor, we want the best for you, period. We don't represent a particular cause or charity; we encourage philanthropy in Genesee County for the causes you care about.

**2. We specialize in philanthropy.** The laws – and opportunities – of charitable giving change daily. We are specialists your professional advisor can call on at any time for advice.

**3. We're a great deal.** You never pay a start-up fee. Our low management costs are assessed on charitable Funds only after they are established and you have received your full charitable deduction.

**4. We're a stable and dependable partner.** Community Foundations like ours, are here for good, forever.

**5. We provide continuing oversight.** Your charitable gift should have the same due diligence as any other investment you make. Your gift is placed into an endowment that is invested over time and the earnings are used to make grants to match your charitable interests.

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## PROFILE:

### Edward G. Henneke, Attorney at Law

A graduate of the University of Michigan Law School and the University of Michigan, Flint, Ed has been practicing law and advising local clients on estate planning for more than 45 years. "I enjoy helping people plan and manage their estates for the future, but it is a real source of satisfaction when you help them make these plans and they include a charitable gift."

Ed often connects clients with the Community Foundation when they are investing in the community or supporting a charitable cause. "The people at the Community Foundation are experts," Ed says. "They know what is going on in the community, they know how to address those challenges; they can assist the client turn their assets into charitable resources."

Ed often turns to the Community Foundation for quick and straight forward solutions.

People at the Community Foundation not only are knowledgeable, but they are also a pleasure to work with in helping clients meeting their needs, says Ed. If a client would like to make a tax-deductible gift before year end, but is not sure of a specific cause to support, Ed recommends opening a Donor Advised Fund. "My clients only make one transaction, they get a tax deduction, and they can take their time deciding which specific organizations to recommend for grants," he says.

Ed says working with the Community Foundation is a partnership that works – for his clients, for the community, and for himself as well.



Donor Advised Funds are highly efficient because administration and investment are pooled with those of other Funds at the Community Foundation. The donor can make grant recommendations for approval by our board of trustees.

## The Donor Advised Fund Alternative

For those who want to give, a Donor Advised Fund with the Community Foundation of Greater Flint is a practical alternative.

Over the past 15 years, Donor Advised Funds have grown in popularity as a preferred giving vehicle. Donor Advised Funds are highly efficient because administration and investment are pooled with those of other Funds at the Community Foundation. Opening a Donor Advised Fund allows donors to make a gift to the Community Foundation, then remain actively involved in suggesting uses for the gift. The donor can make grant recommendations for approval by our board of trustees.

Grants are issued in the name the donor chooses for his/her Fund (or anonymously). A Community Foundation Donor Adviser can take advantage of information about local needs and opportunities – and even include his/her family or business in recommending grants. It is a simple, personal, highly effective way to give.

### PROFILE:

#### Mary Ann Tremaine, Donor

Mary Ann Tremaine wanted a way to give more to her community. "I've lived here my whole life, and I wanted to give back to a number of causes and organizations that are very special to me," she says. She and her financial advisor met with the Community Foundation to discuss ways Mary Ann might increase the impact of her giving and gain maximum tax advantage. Mary Ann chose to establish a Donor Advised Fund in her name.

She now consults with the Community Foundation's professional staff to recommend grants in the areas she cares about most.

Mary Ann says, "This is a great way to stay involved and use what I have to make a difference in the community I love."



# Comparing Four Approaches to Giving

Discover the benefits of working through your Community Foundation

	Community Foundation Donor Advised Fund	Commercial Gift Fund	Community Foundation Supporting Organization	Private Foundation
<i>Items to consider</i>				
<b>Donor Involvement</b>	Donor recommends grants to qualified nonprofit groups. Grants are approved by community foundation board of trustees.	Donor recommends grants to qualified nonprofit groups. Grants are approved by trustees of the gift fund.	Community foundation and donor work together to appoint board. Supporting Organization board often controls investments and grantmaking.	Donor appoints board, which controls investments and grantmaking.
<b>Tax Status</b>	Public charity.	Public charity.	Public charity.	Private charity.
Income Tax Deductions for Gifts of:				
<i>Cash</i>	Up to 50% of adjusted gross income.	Up to 50% of adjusted gross income.	Up to 50% of adjusted gross income.	Up to 30% of adjusted gross income.
<i>Appreciated stock</i>	Fair market value up to 30% of adjusted gross income.	Fair market value up to 30% of adjusted gross income.	Fair market value up to 30% of adjusted gross income.	Fair market value up to 20% of adjusted gross income.
<i>Real estate and closely held stock</i>	Fair market value up to 30% of adjusted gross income.	Fair market value up to 30% of adjusted gross income.	Fair market value up to 30% of adjusted gross income.	Cost basis up to 20% of adjusted gross income.
<b>Grantmaking Support</b>	Professional staff is available to help identify and assess grantees, provide input on community needs, and verify nonprofit status of groups.	Varies.	Professional staff available to help identify and assess grantees, provide input on community needs, and verify nonprofit status of groups.	Donors must arrange and support their own grantmaking and monitoring structure.
<b>Start-up Costs</b>				
<i>Initial costs</i>	None.	None.	Costs kept to a minimum through collaboration with community foundation.	Several thousand dollars for legal and accounting expenses and filing fees.
<i>Minimum contribution</i>	Thousands of dollars.	Thousands of dollars.	Typically millions of dollars.	Typically millions of dollars.
<b>Administrative Requirements</b>				
<i>Ongoing costs</i>	Pooled administration; annual fee.	Varies.	Costs kept to a minimum through collaboration with community foundation.	Several thousand dollars for legal and accounting expenses and filing fees.
<i>Reporting</i>	Community foundation handles reporting.	Financial institution handles reporting.	Annual 990 tax form must be filed.	Annual 990 tax form must be filed.

## Partnering with Financial Advisors

A donor may recommend that a Fund they establish be kept in the custody of their designated investment advisor. For more information on the minimum gift requirement and CFGF compliance guidelines contact us at 810-767-0464.

## Smart Giving

You have made the decision to give back to your community. You want your gift to do the most good, fit your financial situation, provide tax benefits, be well managed by competent professionals, and be there for generations to come. Entrusting your charitable dollars to the Community Foundation is a smart way to give.

### Give Now

A gift during your lifetime is a wonderful way to express your charitable interests and become involved with the Community Foundation. Many of our donors continue to give annually to their Fund.

Giving highly appreciated publicly-traded securities is a “tax-smart” way to accomplish charitable giving goals. Donors avoid capital gains taxes on the securities appreciated value and receive a charitable deduction for the full market value of the stocks or mutual funds.

We also accept gifts of real estate and tangible personal property (e.g. art, antiques, rare books, jewelry, gems, collections, etc.). All gifts of real estate and personal property must meet gift acceptance guidelines.

### Special Situations

*If you are making major business, personal and/or financial decisions, you may want to consider these options for charitable giving.*

#### Transferring a Private Foundation

While private foundations can be attractive vehicles for giving in some circumstances, they come with significant costs and administrative responsibilities. A better alternative may be transferring the assets of a private foundation to a Donor Advised Fund at the Community Foundation. You may continue to recommend grants to organizations and programs of your choice, while enjoying the favorable tax advantages.

#### Closing a Closely Held Business

Owners of a closely held or family business are often very involved in their community. Partnership with the Community Foundation, a public charity, is a cost-effective way to maximize charitable involvement while minimizing tax liability. We can be of particular help when a donor is passing ownership to children or others; selling a business and seeking to minimize taxes; or looking for opportunities to increase income in relation to equity.

### Easy to Give Now

Cash gifts are always welcome in the form of checks and credit card contributions.

Checks should be made payable to the Community Foundation of Greater Flint.

If the gift is designated to a particular Fund, please note this in the memo section of the check. Credit card donations can be easily made through the Community Foundation website at [www.cfgf.org](http://www.cfgf.org).

Through a secured connection, donors have the opportunity to designate their gift to any Community Foundation Fund.

# What About Future Gifts?

## Bequests

Bequests are an excellent way for donors to leave a legacy to the community they love. In naming the Community Foundation of Greater Flint in a will, a donor can specify a dollar amount or a percentage of their estate. In a residuary bequest, a donor leaves CFGF all (or part) of his or her estate after debts, taxes, expenses, and other bequests are discharged. A contingent bequest provides for a charitable distribution only if the named beneficiaries do not survive the donor.

*All donors are encouraged to work with their financial advisors and estate planners when executing a last will and testament.*

## Charitable Remainder Trusts

A charitable remainder trust is one of the most popular and meaningful ways to take care of your own family while supporting the charities that are important to you. You or another can receive income from the trust and designate the remainder to the Community Foundation for a charitable purpose. You receive an immediate charitable deduction for a portion of the gift and may avoid capital gains and/or estate taxes.

## Charitable Lead Trust

Create a trust that stipulates an amount to go to the Community Foundation for a specific period of time. At the end of the term, the corpus passes to other beneficiaries – often family members – named by the donor.

## Retirement Assets

Gift the assets of a retirement account by naming the Community Foundation as a beneficiary. Heirs often lose much of the gift to taxes, but charities receive every dollar. We can set up a “Future Fund” for you now for charitable work later.

## Life Insurance

A gift of life insurance is a great way for a donor to make a substantial yet inexpensive donation to the Community Foundation. The donor may (1) name the Community Foundation as sole beneficiary of the policy and transfer ownership or (2) retain ownership but name the Community Foundation as a secondary (or successor beneficiary) in case of the prior death(s) of the primary beneficiaries (often a family member) named in the policy.

## Legacy Society

The Community Foundation's Legacy Society honors those who have chosen to shape their legacies through a future gift to the Community Foundation of Greater Flint. Membership gives the Community Foundation a chance to thank you now, providing recognition as well as opportunities to attend special events. Please contact the Community Foundation if you have set aside a gift and wish to join our society of forward-thinkers – donors who are planning for our community's future.

## Types of Funds

Are you ready to become a local philanthropist? Establish a Fund? Leave a bequest? Help others in need? We offer a variety of giving tools to help you achieve your charitable goals.

### Donor Advised Fund

Our most flexible option, Community Foundation of Greater Flint's Donor Advised Fund can accomplish virtually all of your charitable intentions. Our Donor Advised Fund can be established for you in 24 hours. Unlike private foundations, there is no required annual minimum distribution. We want you to be able to take the time you need to determine your grant recommendations and develop your philanthropic priorities. Your family members or professional advisor can also make recommendations with your permission.

### Field of Interest Fund

By establishing a Field of Interest Fund, you can earmark your gift to support an interest or cause such as the arts, the environment, the elderly, education, and health and human services. The Community Foundation recommends grants to the most appropriate organizations and programs in that field.

### Scholarship Fund

Support deserving students by creating a Scholarship Fund. You can be closely involved in the scholarship process or delegate the administration of the Fund to our staff. The choice is yours.

### Unrestricted Fund

These Funds provide the Community Foundation with the greatest flexibility to address a broad range of charitable causes while remaining responsive to changing community needs.

### Supporting Organization

A tax-wise alternative to a private foundation, Supporting Organizations allow you to hire staff and convene a board. Supporting Organizations are far less restrictive than private foundations and the Community Foundation handles all the administrative oversight for you, including the IRS-mandated tax returns and annual audits.

*There are many other options available. Share your charitable goals with us and we will match you with the right Fund for your giving.*

### CFGF Operations Fund

Establish an Operations Endowment Fund to support the Community Foundation and its mission. CFGF serves all of Genesee County, building permanent resources dedicated to addressing community needs.

# First Class Donor Experience

Your personalized donor experience begins the moment you open a charitable Fund. You will always have a dedicated person looking forward to helping you expand and enrich your experience with giving.



Scan this code with your smartphone's QR app to sign up for our E-News and learn more about the Community Foundation of Greater Flint.

**Community Foundation of Greater Flint**

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[www.cfgf.org](http://www.cfgf.org)



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