

# Services for Private Foundations

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While a potentially rewarding and effective way to give back, administering a private foundation can be time consuming and potentially costly. If you enjoy having or are considering creating a private foundation, but wish to have simpler management, The Community Foundation provides a variety of options.

## CONSIDER THE FOLLOWING QUESTIONS:

*Would you like to have professional grantmaking or administrative services for your private foundation, but you don't want to oversee staff?*

Contract with The Community Foundation to provide administrative and/or grantmaking services for your private foundation. Our knowledgeable professional staff can handle the application review process so you can focus on making decisions. Services include:

- Issuing requests for proposals.
- Processing grant requests, including a review and summary on proposal quality.
- Assessing organizations' financial condition, strength of organizational leadership and operations, and program effectiveness.
- Coordinating site visits for private foundation trustees.
- Conducting due diligence, grant administration, and check processing.
- Administering grant decisions made by trustees, sending out notification letters, issuing grant payments and reporting on the status of grants.
- Monitoring and evaluating grant recipients.

*Enjoy making grants but prefer anonymity? Need to meet the five percent (5%) minimum payout requirement but haven't decided where you want to give yet?*

- Donate all or part of your foundation's annual distribution to a donor-advised fund at The Community Foundation. Because we are a public charity, a donation to a donor-advised fund fulfills your annual payout requirement in a single transaction.
- Recommend grants on your preferred timeline under the name of your donor-advised fund.

*Is the next generation not ready to get involved? Do you have no heirs and wish to create a lasting legacy? Do you want your foundation's philanthropic intent to be carried out into the future? Has managing your foundation become an administrative burden?*

- Convert your private foundation into a charitable fund at The Community Foundation.
- Keep your foundation's name and name its current or future trustees as current or future advisors to your fund.
- The Community Foundation is here now and for the future. Its permanence ensures that your foundation's identity will be preserved and that future grants will be made in accordance with your original charitable intent.

*Do you want to engage your children in philanthropy without the burden of establishing and administering a private foundation?*

Create a **DONOR-ADVISED FUND** instead of a private foundation. Benefits include:

- The Community Foundation's expert staff will work with you and your family members to craft a charitable mission statement, identify your goals and grantmaking priorities, and assist with creating long-term guidelines.
- The Community Foundation can conduct annual family meetings or help create a family giving plan.
- You can utilize The Community Foundation's grantmaking expertise to make a bigger impact or to identify new strategic opportunities.

*Interested in receiving the higher public charity income tax deduction a donor-advised fund at The Community Foundation offers? Are you concerned about exposing yourself to liability, excise taxes, and penalties associated with a private foundation?*

Among many other benefits, donor-advised fund contributions receive a tax deduction up to 60% of adjusted gross income vs. up to 30% for private foundations. For appreciated securities, a DAF receives a tax deduction equaling the fair market value up to 30% of adjusted gross income as compared to up to 20% for private foundations. For additional benefits review the **COMPARATIVE GIVING OPTIONS CHART**, which outlines the benefits of a donor-advised fund as compared to a private foundation.