

## TOOLS FOR GIVING

# About community foundations

Helping donors do  
good work... **forever.**



**Community foundations** are tax-exempt public charities created by and for the people in a local area. We enable people with philanthropic interests to easily and effectively support the issues they care about — immediately or through their wills. You can establish a charitable fund at your community foundation by contributing a variety of assets and may also recommend grants — in your name, if you choose — to nonprofit groups you want to support.

### Three special features

**Personalized service.** Community foundations can help individuals, families, businesses, and nonprofit agencies achieve their charitable and financial goals by providing tools and resources that make giving easy, flexible, and effective. Our donors can create individual or family legacies by creating named funds, teaching future generations the value of giving back. We offer involvement in recommending (to community foundation boards of directors) uses of a gift, while providing the option to give anonymously.

**Local expertise.** Your community foundation is a local organization staffed by people from your community and led by a local board of trustees. This group of people has an in-depth understanding of the community's challenges and the groups and individuals addressing them, enabling them to make a difference by funding high-impact initiatives addressing a broad range of local needs. We closely monitor community issues, opportunities, and resources and help donors learn more about these factors in order to make their giving as effective as possible.

**Community leadership.** Community foundations play a key role in addressing community needs, now and in the future. We are governed by leaders with strong ties to their communities. We also act as community catalysts, convening diverse voices and groups to work on solutions to local issues and fostering greater giving and volunteering in our communities. We build endowments to ensure grants are always available to support the community.

The United States  
has more than 650  
community foundations.

We serve citizens in urban and rural communities in all 50 states. Collectively, we hold more than \$31 billion in assets and make local grants of approximately \$2.6 billion annually.

COMMUNITY FOUNDATIONS

Your local giving partners

To find the community foundation in your area, visit [www.communityfoundations.net](http://www.communityfoundations.net)

### Ten reasons people choose to give through community foundations

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#### one

We are a **local organization** with deep roots in the community.

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#### two

Our professional program staff has **broad expertise** regarding community issues and needs.

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#### three

We provide highly **personalized service** tailored to each individual's charitable and financial interests.

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#### four

Our funds help people **invest in the causes** they care about most.

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#### five

We accept a wide **variety of assets**, and can facilitate even the most complex forms of giving.

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#### six

We partner with **professional advisors** to create highly effective approaches to charitable giving.

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#### seven

We offer maximum **tax advantage** for most gifts under federal law.

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#### eight

We **multiply the impact** of gift dollars by pooling them with other gifts and grants.

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#### nine

We build **endowment funds** that benefit the community forever and help create personal legacies.

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#### ten

We are a **community leader**, convening agencies and coordinating resources to create positive change.

### A bit of background

The first community foundation was established in Cleveland, Ohio in 1914. Within five years, community foundations formed in places like Chicago, Boston, Milwaukee, Minneapolis, Rhode Island, and Buffalo.

In the years that followed, other local community foundations were established, and hundreds of thousands of individuals across the United States — from all economic backgrounds — joined with their local community foundations to create permanent charitable funds to meet the needs of their communities.

Today, community foundations make up one of the fastest growing sectors of philanthropy in the United States. They build and strengthen communities by making it possible for a wide range of donors to create permanent, named funds to meet critical needs. Community foundations — through philanthropy that is visionary, diverse, and inclusive — have become catalysts for improvement within urban centers and in rural settings.

There are more than 650 community foundations in the United States, more than 460 of which are members of the Council on Foundations. The idea has spread throughout the world, including Australia, Canada, Germany, Italy, Japan, Mexico, New Zealand, Poland, Russia, Slovakia, South Africa, and the United Kingdom. It has been estimated that there are at least 365 community foundations outside the United States and Canada.

Community foundations offer donors many services and benefits. They routinely work with families, individuals, attorneys, and estate and financial planners to design gift plans that fit every economic situation, ensuring that donors receive the most benefit from their charitable contributions and that their philanthropic dollars are used to the fullest extent. Community foundations accept gifts of various sizes and types from private citizens, local corporations, other foundations, and government agencies. Nearly every type of gift — real estate, closely held stock, artwork, and insurance — can be contributed to a community foundation. Gifts are made during donors' lifetimes and through bequests. Community foundations received an estimated \$3.5 billion in gifts in 2001.

*Community foundations provide a simple, powerful, and highly personal approach to giving. We offer a variety of giving tools to help people achieve their charitable goals.*

*You can make a gift of cash, stocks, bonds, real estate, or other assets to your community foundation. Most charitable gifts qualify for maximum tax advantage under federal law. For more information and ideas on ways to integrate your financial planning with charitable giving, ask your financial advisor or contact your community foundation.*