

A Guide for Donors & Their Advisors



Give today. Impact tomorrow.



Everyone Has a Place Here

Everyone can be a philanthropist at the
Lapeer County Community Foundation.

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 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 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 experience 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 over 63 separately 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 Lapeer 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 Lapeer 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 completed 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 Lapeer Community Foundation 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 Lapeer 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.

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.

PROFILE:

Sandra DuPont

Sandra DuPont embraced the idea of leaving a legacy by supporting those Lapeer County organizations that embraced her ideals. A long-time supporter of the Lapeer County Community Foundation, Sandra passed away in December 2017.

Born in Capac, Michigan in 1933, Sandra graduated from Capac High School as the valedictorian in 1951. She attended Kalamazoo College and became a Registered Medical Technologist. In 1953, she married Kent G. DuPont. She attended the University of Michigan-Flint, graduated in 1966 with a degree in Elementary Education and taught in the Lapeer school system for a time. She worked for Harry Zemmer, M.D. in Lapeer for 22 years. Sandra and Kent lived in Lapeer, Michigan where they operated the DuPont-Lapeer Airport as well as a branch of the G. B. DuPont Co., Inc.

She volunteered for many local organizations and was active in her church. Sandra quietly went about the business of giving her time, talent, and treasure, not asking for anything in return. And when she passed, she made sure her legacy continued with a \$150,000 bequest to the Foundation. In speaking with Kent, her husband of 64 years, he shared that her philosophy towards giving was simple. It is something we are called to do, and that we all have a responsibility to give back. In keeping true to the causes that meant the most to her, the Foundation is ensuring that her legacy is honored by using these funds to provide hope and opportunities for our Lapeer County students to dream of and pursue post-secondary educational opportunities. Sandra joins a list of other like minded individuals who are part of our Legacy Society looking to impact Lapeer County's future.



The Donor Advised Fund Alternative

For those who want to give, a Donor Advised Fund with the Lapeer County Community Foundation 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 investments 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 Advisor 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.

DONOR ADVISED FUNDS ARE HIGHLY EFFICIENT BECAUSE ADMINISTRATION AND INVESTMENTS ARE POOLED WITH THOSE OTHER FUNDS AT THE COMMUNITY FOUNDATION. THE DONOR CAN MAKE GRANT RECOMMENDATIONS FOR APPROVAL BY OUR TRUSTED BOARD OF TRUSTEES.

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>				
Donor Involvement	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.
Tax Status	Public charity	Public charity	Public charity	Public charity
<i>Income Tax Deductions for Gifts of:</i>				
<i>Cash</i>	Up to 60% of adjusted gross income.	Up to 60% of adjusted gross income.	Up to 60% 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.
Grantmaking Support	Professional staff is available to help identify and assess grantees, provide input on community needs, and verify nonprofit status of groups.	Varies.	Professional staff is 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.
Start-up Costs				
<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.
Administrative Requirements				
<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.

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 Lapeer County Community

Foundation. If the gift is designated

to a particular fund, please note this in

the memo section

of the check. Credit

card donations can be

made easily through

the Community

Foundation website at

www.lapeercountycf.org

Through a secured

connection, donors

have the opportunity

to designate their gift

to any Community

Foundation fund.

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.

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 stock 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 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.

What About Future Gifts?

Bequests

Bequests are an excellent way for donors to leave a legacy to the community they love. In naming the Lapeer County Community Foundation in a will, a donor can specify a dollar amount or a percentage of their estate. In a residuary bequest, a donor leaves LCCF 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 a sole beneficiary of the policy and transfer ownership or (2) retain ownership but name the Community Foundation as a secondary (or successor beneficiary) in the case of the prior death(s) of the primary beneficiaries (often a family member) named in the policy.

LEGACY SOCIETY

Joining the Legacy Society of Lapeer County Community Foundation means leaving a gift upon your death that ensures that the charitable causes that are meaningful to you continue to be supported. By sharing your planned gifts, the Foundation is able to recognize and thank you today for your commitment. Please contact the Foundation if you have set aside a gift and wish to join our society of forward thinking donors who are planning for our community's future.

**THERE ARE
MANY OPTIONS
AVAILABLE.
SHARE YOUR
CHARITABLE
GOALS WITH US
AND WE WILL
MATCH YOU WITH
THE RIGHT FUND
FOR YOUR GIVING
AND LEVEL OF
DESIRED DONOR
INVOLVEMENT.**

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, establishing a Lapeer County Community Foundation Donor Advised Fund can accomplish virtually all of your charitable intentions. 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.

Designated Fund

Donors may wish to support a specific public charity by establishing a Designated Fund. You may name a specific charity/charities to benefit from your gift.

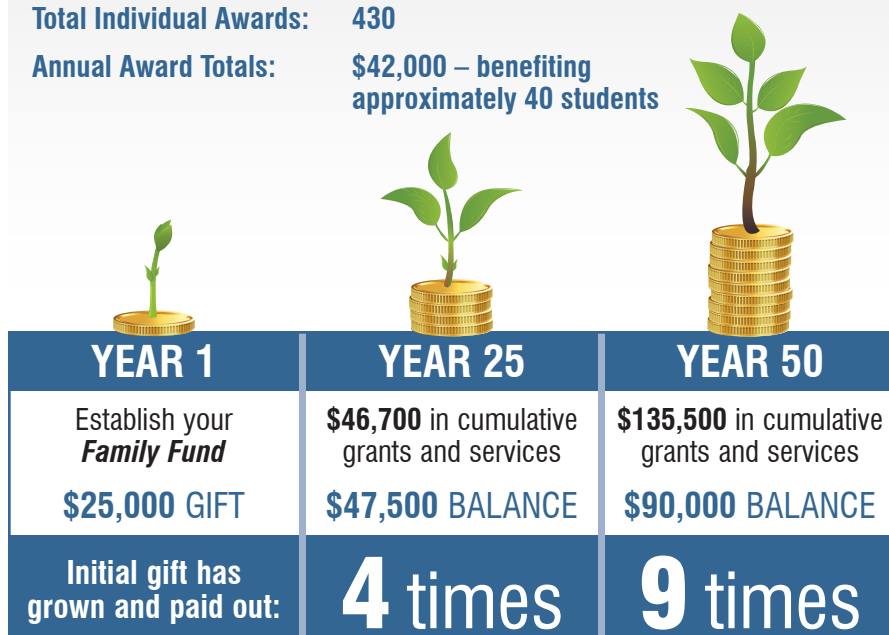
The Power of Endowment

The Ross P. Broesamle Educational Fund was established in 1997 as a legacy gift from Ross Broesamle. The fund was created as a memorial to his father Fred, who served as the superintendent of the Almont and Dryden School Districts in the early 1940s. The fund, which provides scholarships to students from both Almont and Dryden, began with \$400,000 from a planned gift of Ross' estate.

Mr. Broesamle established the fund with perpetuity in mind, knowing that planting a seed today will grow and bring benefits to others in the future. Twenty years later, it is one of the Lapeer County Community Foundation's largest funds, distributing approximately \$42,000 annually to over 40 students a year. To date, over 430 scholarship awards have been given totaling \$776,150 to students in Almont and Dryden. With the increasing costs of higher education, these awards can make the difference in making the impossible, possible.

Mr. Broesamle could have chosen to give out \$10,000 to 10 students a year for four years of college upon which the funds would be gone. Instead, knowing the power of endowment, he chose to have the funds invested in an endowed fund. Because of this decision, students will continue to be helped in pursuing their post-secondary education studies.

1997 Memorial Gift: \$400,000
2018 Market Value: \$1,023,000
Total Scholarships Given: > \$776,150
Total Individual Awards: 430
Annual Award Totals: \$42,000 – benefiting approximately 40 students



Assumes 5% annual payout and 8% rate of return



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www.lapeercountycf.org



Excellence. Accountability. Impact.™

