



## Charitable Giving

### Steps that you should consider when embarking on the design of your charitable giving to The Fountain Hills Community Foundation:

Step 1: Determine when to give. The timing of charitable gifts can have financial consequences for the donor, the donor's heirs, and the charity. The donor's cash flow needs, purpose for giving, desire to pass assets on to heirs, and estate and tax planning needs should all be considered.

Step 2: Choose what to give. The type of property donated can also have a big financial effect. Cash tends to be easiest. However, donations of appreciated securities or property may yield an equivalent benefit to the charity but carry much greater tax and estate planning advantages for the donor.

Step 3: Decide how the gift will be made. The many methods of giving include direct gifts, bequests, charitable trusts, and donor-advised funds. Each has its benefits and considerations and can serve very different goals. Selecting the right method is critical to the success of the donor's giving strategy, investment plan, and overall estate plan.

### So -- what are the possibilities?

#### Annual Giving

Annual giving is simply a gift to the Fountain Hills Community Foundation, to be deposited into the general operating account of the Foundation and that is contributed in any calendar year. The gift can be in any amount the donor chooses and can be given once or every year as the donor elects. Most donors think of this as being an annual contribution made each year; although it is certainly possible to make even a very large single donation to the Foundation's general operating fund or for a named specific project or endeavor.

The Fountain Hills Community Foundation has established various recognized levels of annual giving to be listed unless a request is made to remain anonymous. They are:

Friends of the Foundation	\$ 100+
Benefactor of the Foundation	\$ 250+
Patron of the Foundation	\$ 500+
Flynn Society Member of the Foundation	\$1,000+

All are invited to a special annual meeting. Benefactors, Patrons and Flynn Society Members of the Foundation will receive an identifiable pin to specifically recognize their extra contribution. All members of the Board of Directors are expected to be Patron or Flynn Society Members. Special recognition may be given for single large contributions given to the general operating fund of the Foundation at the discretion of the Board of Directors.

## **Donor Advised Funds**

A donor-advised fund is like a charitable investment account, for the sole purpose of supporting charities you care about. When you irrevocably contribute cash, securities, or other acceptable assets to a donor-advised fund at the Fountain Hills Community Foundation (FHCF) as the sponsoring organization, you are generally eligible to take an immediate tax deduction on the contributions up to the IRS limits. Then those funds can be invested for tax-free growth [unless a person who has benefited from an excess benefit transaction is disqualified and becomes liable for an excise tax] and you can recommend grants to virtually any IRS-qualified public charity.

Additional and more specific information will be found in the separate explanation on Donor Advised Funds, which will explain how you can make a current tax deductible contribution to fund the future needs of a charity you care about.

## **Planned Giving of a Future Gift**

Future planned giving occurs when you plan to donate an asset to the Foundation at some future time. The donation may take the form of a gift that is delayed for some period, i.e., from your estate at the time of your death, from a life insurance policy with the Foundation being named as the full or partial beneficiary or from the remainder interest in a trust. The donation would be given to the Foundation in the future.

There are no specific levels of recognition for a planned gift; however, it is anticipated that the gift would be substantial. The donor would complete a Foundation Testamentary Provision Form, which would be filed for information purposes only. The individual(s) making the future gift would be recognized as being a member of the “Legacy Society”.

Upon receipt of the gift, the Foundation would recognize the qualified gift publicly, unless requested not to do so, and the gift would become a part of the Foundation’s operating fund or endowment as stipulated by the donor. I.e., if the donor made the Foundation a beneficiary of a portion of a life insurance policy death benefit, the donor would initially be listed as a member of the “Legacy Society” and subsequently, if the donor stipulated that the proceeds were to go to the Foundation’s general endowment fund, the donor would be recognized at the appropriate level of recognition for their endowment donation.

## **Endowment Gifts**

As mentioned in Parts One and Two of our informational packet, an endowment fund is a special fund that's invested for long-term growth and exists to support our mission, which is to build a legacy in Fountain Hills and the surrounding communities by investing in non-profit organizations whose work improves the lives of our youth, seniors, families and community and yours, now and in the future.

The reader should refer to Parts One and Two of the informational papers addressing the Fountain Hills Community Foundation Endowment Fund for general and specific information. We welcome your questions and interest in establishing a Specific Endowment fund or contributing to the Foundation’s General Endowment fund.

Endowment gifts are generally substantial in nature, but we welcome all levels of giving to the General Endowment Fund. If you have an interest in establishing a Restricted Endowment Fund, the level of contribution necessary to fully support your area of interest is determined jointly by you and the Foundation.

The Foundation has established special recognition levels for both the General Endowment Fund and for Restricted Endowment Funds based upon the donor's minimum contribution as follows:

1. Silver \$ 5,000+
2. Gold \$ 10,000+
3. Platinum \$ 25,000+
4. Emerald \$ 50,000+
5. Diamond \$100,000+

Through the Fountain Hills Community Foundation Endowment Funds, working in concert with the Arizona Community Foundation, based in Phoenix, Arizona and which manages our funds in accordance with the UPMIFA Guidelines\*, you can create a permanent charitable fund to benefit our community, work, and mission. The funds donated to the Fountain Hills Community Foundation are considered "component funds" of the Arizona Community Foundation.

## **Lifetime Contributions:**

The following giving levels signify generous donations made over the course of a lifetime. Lifetime levels of giving are as follows:

1. Foundation Leader \$ 25,000+
2. Foundation Builder \$ 50,000+
3. Foundation Provider \$125,000+
4. Foundation Ambassador \$250,000+
5. Foundation VIP Ambassador \$500,000+

Special recognition will be given to each of these levels of giving in all ways possible and as determined to be appropriate by the Board of Directors.

### **Please contact us for additional information:**

Bill Pape 480-836-8680

Mark Dalton 480-390-7255

Our Web site [FountainHillsGives.com](http://FountainHillsGives.com)

Via E-mail [Info@FountainHillsGives.com](mailto:Info@FountainHillsGives.com)

\*Uniform Prudent Management of Institutional Funds Act

**The Fountain Hills Community Foundation, Inc. was formerly known as the Sunridge Foundation, Inc., which was formed in 1995 and has provided over one million dollars in financial support to our community. It is a 501(C)(3) non-profit organization [EIN: 86-0800268].**