

Giving Guidelines

Our community's future...

What inspires you?



The **COMMUNITY** Foundation *for* Greater New Haven

Imagine.

*the possibilities –
now and in
the future*

Inform.

*yourself and
others about the
possibilities and
opportunities*

Invest.

*your energy, talent
and resources*

Inspire.

*others to build a
stronger community*

Our Community

Ansonia

Bethany

Branford

Cheshire

Derby

East Haven

Guilford

Hamden

Madison

Milford

New Haven

North Branford

North Haven

Orange

Oxford

Seymour

Shelton

Wallingford

West Haven


Woodbridge

For three generations, members of our community have chosen The Community Foundation for Greater New Haven as their philanthropic partner. We are fortunate to be part of this collective legacy of building a stronger community through philanthropy.

In order to better provide you with the resources and information you need to contemplate your philanthropy, we have created the following Giving Guidelines. We hope this guide will prove a useful tool to you, your family and your advisors. Please know that we are here to support you and that we share your goals of advancing and improving the Greater New Haven community... for today, tomorrow and forever.

We thank you for your interest in The Community Foundation and look forward to the opportunity to be of service to you in continuing to build a stronger community in Greater New Haven.

Very truly yours,

A handwritten signature in black ink, appearing to read 'William W. Ginsberg', written over a light background.

William W. Ginsberg
President & CEO

*Whether you are a
first-time donor or an
experienced philanthropist,
The Community Foundation
is here to help you meet all
your philanthropic goals.*

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Giving Guidelines

These giving guidelines summarize the various ways to give and types of funds at The Community Foundation *for* Greater New Haven (The Community Foundation), as well as important policies, procedures and benefits associated with establishing and maintaining a charitable fund for your community. It is not a complete statement of all the policies of The Community Foundation that may be relevant to any particular gift.

All gifts are subject to The Community Foundation's gift policies, as may be amended from time to time, at the discretion of The Community Foundation as governed by its Board of Directors. Please call The Community Foundation at 203-777-2386 or visit our website at cfgnh.org for more information.

Gifts may be made directly to The Community Foundation *for* Greater New Haven, Inc. (the Corporation) (Federal Tax Identification Number: 06-6032106). Gifts may also be made through The Community Foundation's Trustee Banks: Wells Fargo Bank, Bank of America, KeyBank and People's United Bank.

The Community Foundation for Greater New Haven is not a licensed tax or legal advisor. Our business is community philanthropy. You should work with your financial, tax or legal professionals to determine the best charitable giving strategy for your needs. We are happy to confidentially discuss your gift interests, in partnership with you, and with your professional advisors.



The Benefits of Partnering with The Community Foundation

- Ease in opening and maintaining a fund
- Maximum allowable tax benefits
- Online grantmaking and fund services
- Investment expertise
- Personalized philanthropic and donor services by dedicated staff
- Access to experts in major areas of interest in our community
- Full range of planned and legacy giving opportunities
- Connection to other donors and civic leaders dedicated to building our community

General Rules and Regulations

Individuals, families, trusts, estates, private foundations and business entities are eligible to make a gift or establish a fund at The Community Foundation.

All outright gift contributions given to The Community Foundation become an asset of The Community Foundation and are irrevocable as a tax-deductible gift. The Community Foundation reserves the right to review and approve all contributions.

Your gift is tax deductible to the fullest extent of the law and you will receive an acknowledgment for your tax records.

Outright Gift Assets

Cash Gifts: Cash gifts must be delivered by check or wire. Checks should be made payable to The Community Foundation for Greater New Haven, with the specific fund name or gift purpose listed on the memo line. Alternatively, you may contact The Community Foundation for wiring instructions by calling 203-777-2386. You may also contribute online* to any of The Community Foundation's charitable funds safely and securely at cfgnh.org. The fund that receives a credit card gift will incur the transaction fee assessed by the credit card processing company; this fee does not reduce the deductibility of the contribution.

giveGreater.org®: The Community Foundation also accepts credit card donations* through its website giveGreater.org®. On this site, you may research many nonprofit organizations in Greater New Haven that would* benefit from your support.

Please note: Credit card gifts may incur a transaction fee competitive with other online giving services; this fee, however, does not reduce the deductibility of your contribution.

Securities: Gifts of stock that have been held for more than a year may offer additional tax benefits. Please contact The Community Foundation at 203-777-2386 for assistance with the following gifts:

- **Publicly Traded Securities:** Publicly traded stocks and bonds can be transferred by wire or delivered in certificate form with a corresponding stock power.
- **Mutual Funds:** Mutual fund shares are also welcome gifts to The Community Foundation.
- **Restricted Securities & Closely-Held or Founders Stock:** Please contact The Community Foundation directly at 203-777-2386 to discuss such gifts. We greatly appreciate these types of inquiries.

IRA Charitable Rollover (IRA Distributions): If you are aged 70 ½ or older, you may elect to make a direct charitable distribution from your IRA to The Community Foundation of up to \$100,000. Although a charitable deduction for this gift cannot be taken, the distribution will count against your required minimum distribution from the IRA and you will not have to report the distribution as taxable income. Note: the distribution should be made directly to The Community Foundation; if you take the distribution and then pass it on to The Community Foundation, the distribution will be treated as a taxable event. This type of gift cannot be used to fund or make additional gifts to a donor advised fund, to a supporting organization or private non-operating foundation, or to establish a life-income vehicle (such as a charitable gift annuity or charitable remainder trust).

Real Estate: Gifts of real estate can be accepted and The Community Foundation welcomes the opportunity to review such gift intentions on a case-by-case basis. Residential, corporate and undeveloped land held more than one year are reviewed by The Community Foundation prior to acceptance to ensure that certain conditions are met. Gifts of real estate may be outright, by bequest or by planned gift.

Gifts of Tangible Personal Property: Gifts of tangible personal property, such as, but not limited to, art, antiques and collectibles, may be donated to The Community Foundation. The gift will be evaluated by The Community Foundation before acceptance. It is your responsibility to secure an independent appraisal of the item(s) if the value of the gift is over \$5,000.

Other Types of Gifts: Please contact The Community Foundation for a confidential discussion at 203-777-2386.

Additional Information About Your Contribution

Gift Acknowledgement: All gifts will be acknowledged in accordance with the Internal Revenue Code requirements. It is your legal and financial responsibility to take any other steps necessary to substantiate and claim a charitable deduction for tax purposes.

Gift Acceptance Fees: Any costs incurred by The Community Foundation to evaluate, acquire or sell a complex gift asset, such as real estate, partnership interests or closely-held stock, will reduce the net proceeds credited to your fund. Your deduction amount, however, will still reflect that of the independent appraisal value, or cost basis, whichever is applicable under the current Internal Revenue Code.

Additional Contributions: Once a fund is established, you may make additional contributions at any time. There is no minimum requirement for additional contributions.

Third Party Contributions: You may make contributions to any fund at The Community Foundation, including funds established by other donors. Gifts should be made to The Community Foundation *for* Greater New Haven with the specific fund name noted.

Public Fundraising: Due to charitable solicitation statutes, The Community Foundation does not encourage, approve, endorse or participate in fundraising events that are arranged by individuals for the benefit of specific funds.

Anonymity: The Community Foundation is deeply committed to fulfilling your wishes, including anonymity, if you desire. You may request to remain anonymous in all print and electronic media distributed by The Community Foundation.

Planned and Legacy Gifts

Planned and legacy gifts are a way to make estate decisions now and for the future. This type of giving allows you to address family members' needs and make a gift to benefit your community and the causes you care about most. You may make gifts to benefit any type of fund through a full range of planned and legacy gift options at The Community Foundation. Planned gifts offered through The Community Foundation include charitable gift annuities, a pooled income fund, charitable remainder trusts and other arrangements to fit your personal situation. Planned and legacy gifts may be used to establish or added to any type of fund offered by The Community Foundation. To learn more about planned and legacy gifts, and how such gift plans may enhance your financial and estate plans, please contact The Community Foundation for a confidential consultation at 203-777-2386 or visit our website cfgnh.org.

Those who include The Community Foundation in their long-term charitable planning will be welcomed as members of the Nettie J. Dayton Circle, a special group of visionary philanthropists who have named The Community Foundation as a beneficiary in their will, retirement plan, trust, life income gift or other deferred gift arrangement. We look forward to welcoming you to this special group and ask you to notify us should you qualify for membership or simply wish to receive further information.

Below is a brief summary of each gift type:

Bequest: A bequest is an irrevocable gift from a will or personal trust of cash, securities, real estate or other assets. A common form of a bequest is a percentage of the residue of one's estate (a "residual" bequest).

Retirement Plan Beneficiary Designation: You may be able to designate The Community Foundation as a survivor beneficiary of your qualified retirement plan account for all or a percentage of your plan.

Charitable Gift Annuity: A charitable gift annuity is an irrevocable agreement between you and The Community Foundation, whereby you donate cash or stock to The Community Foundation now, gain immediate tax benefits, and receive a fixed and guaranteed income for life for you and/or a loved one.

Charitable Remainder Trust: You can place cash, stock or other property, such as real estate, in a trust that pays annual income to you (or another named beneficiary) for life. The remainder of the trust then transfers to The Community Foundation and is used to establish a new fund or added to an existing fund.

Pooled Income Fund: A pooled income fund operates similarly to a mutual fund and provides you with a variable income stream based on the net earnings of the fund. You make a permanent gift of cash or stock to the fund, which is then commingled with the gifts of other donors. Upon receipt of your gift, you are assigned units in the pooled income fund.

Charitable Lead Trust: You can place cash or property into a trust that pays income to The Community Foundation for the number of years you select (or lives). Once this period ends, the assets held by the trust are transferred to the beneficiaries you name, most often your direct heirs; or the trust assets can revert back to you.

Bank/Checking/Investment Account Beneficiary Designations: You may instruct a financial institution to pay to The Community Foundation all or a portion of what remains in an account at death.



Charitable Fund Options

There are a variety of funds you may establish at The Community Foundation which can reflect your philanthropic goals. The funds are flexible in their design, in hopes that we have created something for everyone. Funds may also be created that are a combination of the types described. We welcome your thoughts and ideas should those funds described below not be an exact match for your community philanthropy.

Grants from all funds are subject to ongoing stewardship and due diligence by The Community Foundation.

Donor Advised Funds: Starting a donor advised fund at The Community Foundation enables you to make a tax-deductible gift immediately, without having to identify nonprofit beneficiaries right away. Instead, your gifts will be invested, based on your preferences, so that they may grow. Once ready, you and/or your designee can recommend grants from your fund to your desired, eligible nonprofits. Donor advised funds are convenient, flexible tools if you wish to be personally involved in your philanthropy on an ongoing basis. You can think of your donor advised fund as an investment account for organizing your personal charitable giving.

Unrestricted Funds: When you establish an endowed unrestricted fund, your gift addresses a broad range of local opportunities and needs, including future needs that often cannot be anticipated at the time your gift is made. The Community Foundation evaluates all aspects of community well-being: arts and culture, economic development, education, environment, health and human services, neighborhood revitalization, and more, mostly through a competitive grants process, to make grants from your fund. The flexibility of your unrestricted gift enables The Community Foundation to respond to community needs and opportunities, today and tomorrow.

Preference Funds: By establishing an endowed preference fund, your gift addresses an area of your personal interest in the community, from hunger to homelessness, to education and the arts, to name just a few. The Community Foundation then reviews your area of preference to determine where grants from your fund will have the most impact in the community, primarily through existing competitive grants processes.

Designated Funds: Establishing an endowed designated fund allows you to support the good work of a specific nonprofit organization(s) in perpetuity with an annual grant.

Permanent Organization Endowment Funds: A Board can make an irrevocable transfer of assets from an organization to establish a permanent component fund of The Community Foundation for the benefit of an organization. Alternatively, a donor or group of donors can establish a fund in the name of the organization for its benefit as a permanent endowment.

Scholarship Funds: In creating an endowed scholarship fund, you invest in your community's future by supporting its students in pursuit of education.

More detailed information about these funds can be found on our website cfgnh.org; or you can call The Community Foundation at 203-777-2386.



Donor Advised Fund Policy

Fund Advisor: Upon establishing a donor advised fund, the primary donor names one or more fund advisors authorized to access information regarding the fund and make grant recommendations. A primary donor is automatically a fund advisor unless otherwise indicated in the donor advised fund agreement.

Grants from Donor Advised Funds: Grants of \$250 or more may be recommended for a qualified public charity or operating foundation in the United States. (International grants will be reviewed on a case-by-case basis, as the laws governing such grants differ from country to country.) Grant recommendations are processed weekly, provided that The Community Foundation has received, or has in its files, all necessary documentation from the proposed recipient organization. As a fund advisor, you submit your grant recommendations online through DonorCentral using a secure login ID and password. You will then receive confirmation via email regarding the receipt of grant recommendations.

Anonymity: The Community Foundation is deeply committed to fulfilling your wishes, including anonymity. You may request to remain anonymous in all print and electronic media distributed by The Community Foundation. Additionally, with respect to donor advised funds, The Community Foundation offers various levels of anonymity throughout the grant recommendation process.

Grant Limitations: The Community Foundation must verify that all organizations recommended for grants are classified as public charities under the Internal Revenue Code and, if needed, will request documentation from the organization. Additionally, The Community Foundation may request information as required by the ongoing stewardship and due diligence processes. In the event that a matter of concern should surface, The Community Foundation will notify the fund advisor.

- The IRS does not permit grants to be made from a donor advised fund for memberships, sponsorships, tickets or for the fulfillment of any pledges. Grants may not provide a benefit to the donor or any specific individual.

International Grants: Grants to international organizations with U.S. 501(c)(3) status are subject to The Community Foundation's standard due diligence procedures, and may incur additional fees to process. Grants to international organizations without U.S. 501(c)(3) status may be possible after completing an alternative qualifying process for which there may be significant additional fees to the fund.

Investment Management and Spending: The Community Foundation offers three investment options for donor advised funds. The fund may be held solely in one investment option, or apportioned among two or three options.

- **The Perpetual Fund:** The Perpetual Fund seeks to preserve the real economic spending power of a donor advised fund over the long-term. To meet this objective, a percentage of the Fund's value is calculated according to a Spending Rule Policy annually and is available to make grant recommendations. An amount above the Spending Rule rate may be requested twice per year (by March 1st or September 1st, for availability June 1st and December 1st respectively) of up to 25% of the Fund's then market value inclusive of amounts calculated under the Spending Rule Policy.
- **Intermediate Fund:** The intermediate fund is a diversified portfolio of liquid assets to provide the opportunity for some appreciation with moderate risk; assets are readily available for grantmaking at all times.
- **Cash:** With cash option, a donor advised fund is held in cash or cash equivalent to preserve capital risk or appreciation, and is readily available for grantmaking at all times.

Custom Investment Partnership Program: For a new donor advised fund established with a minimum of \$100,000, you may recommend a financial advisor to manage the assets and serve as custodian of that fund on the behalf of The Community Foundation. The financial advisor then works with The Community Foundation under a Memorandum of Understanding and is subject to ongoing due diligence requirements.

Appointment of Successor Advisors: Unless otherwise provided in the approved and accepted fund agreement, The Community Foundation typically permits one set of successor advisors to be named for a fund in the fund agreement or by separate letter referring to the original agreement. All fund advisors must be at least 18 years of age. Available grant funds for distribution by successor advisors are determined annually by The Community Foundation’s Spending Rule Policy, notwithstanding whether the available grant funds for distribution in the original fund agreement was determined annually by The Community Foundation’s Spending Rule Policy.

Once the advisors and, if designated, the successor advisors are no longer willing or able to make grant recommendations, the fund will benefit causes and/or organizations determined by the founding donors wishes as written in the fund agreement and the amount available for distribution each year calculated in accordance with the Spending Rule Policy.

DonorCentral: As a fund advisor, you will have 24 hour-a-day access to information about your fund and the ability to make grant recommendations electronically.

Low Activity Funds: The Community Foundation encourages you as a fund advisor to retain an active role in your donor advised fund. In order to carry out its mandate of consistently distributing charitable dollars to support the community, The Community Foundation periodically reviews the grantmaking activity of donor advised funds. If you would like to postpone grantmaking within your fund for a period of time, you will be asked to advise The Community Foundation of your intent in writing.



Fund Reporting

Fund Status Reports: Fund status reports are available on a quarterly basis online in DonorCentral. Reports provide an overview of the past quarter's activity, including any contributions to and grants from the fund, and the fund's ending balance.

Investment Management: For nearly 90 years, The Community Foundation has been an endowment organization designed to maintain the community's charitable assets in perpetuity. Our investment philosophy and strategy are to preserve the purchasing power and real economic spending of the endowment assets. This is done through a total-return approach which does not distinguish between an asset's yield and appreciation, but rather focuses on the total expected return of the assets over the long-term. The Community Foundation's investment philosophy and strategy work in tandem with the Spending Rule Policy, under which The Community Foundation withdraws a specific percentage of the market value from the endowment each year. Together, the investment policy and strategy and the Spending Rule Policy are intended to enable The Community Foundation to prudently release a predictable stream of revenue during each fiscal year to invest in the region's needs and opportunities, while at the same time allowing for maximum flexibility and efficiency of the investment management process. Additional investment options are available for donor advised funds; investment performance is available online at cfgnh.org.

Fund Expenses and Minimums

Each fund will be allocated an administrative and investment expenses fee as outlined below:

Administrative Expenses: Administrative expenses are deducted in four quarterly installments based on the fund's market value of the previous year. Fees are reviewed periodically by The Community Foundation's Board, and are subject to change at the sole discretion of The Community Foundation. Notice of any and all changes in the fee structure will be given prior to implementation.

Unrestricted, Preference, Designated: All of these funds have a required minimum of \$10,000 and are assessed a 1% annual administrative fee based on the market value of the previous year. Administrative expenses cover costs associated with The Community Foundation's grantmaking process, the receipt and acknowledgement of contributions, processing and payment of grants, grantee notification and quarterly reporting.

Permanent Organization Endowment Funds: Permanent Organization Endowment Funds are required to maintain a minimum of \$10,000; a 0.40% applied based on the Fund's market value of the previous year. The minimum quarterly fee is \$25.

Donor Advised Funds: Donor advised funds require a \$10,000 minimum to be established and are assessed a 1% annual fee based on the market value of the previous year. For donor advised funds where the account balance falls below \$10,000, a \$75 quarterly administrative fee will be assessed.

Scholarship Funds: Scholarship funds are offered in two variations. If the scholarship requires an application and review process, the minimum fund is \$25,000 and a 1.5% fee is assessed. If the scholarship is designated to a single organization, the minimum fund is \$10,000 and a 1% annual fee applies.

Other: Gift assets that require special review and attention, such as real estate, limited partnership interests or closely-held stock, may be subject to different policies. Please contact us for more details pertaining to these types of special assets.

Investment Management Expenses for all Types of Funds: The total expected annual cost for investment management services is approximately 60 - 80 basis points (0.60% - 0.80%). The Community Foundation presents investment performance statistics on a “net of fee basis” (i.e., after the payment of all direct costs associated with the investment management process) when comparing its results against the absolute and relative benchmarks.



Tax and Legal Information

Tax Status: All component funds at The Community Foundation are assets of The Community Foundation, and, as such, any contributions to component funds are automatically treated as a gift to a public charity.

Tax Implications: As a public charity under Sections 501(c)(3) and 170(b)(1)(a) of the Internal Revenue Code, initial and subsequent contributions made to The Community Foundation are eligible for income, estate and gift tax charitable deductions (as the case may be) under state and federal law. Each gift to The Community Foundation is acknowledged with a receipt confirming the date of gift for your tax records (Federal Tax Identification Number: 06-6032106).

Spending Rule Policy: Generally, the process for determining spending from endowment funds to meet the charitable needs of our community is accomplished through The Community Foundation's Spending Rule Policy. Under the current Spending Rule Policy, the spending rate is determined annually by the Corporation's Board of Directors, equal to the greater of: a) a fixed percentage of the endowment assets available for investment based on a trailing five-year moving average; or b) 4.25% (the Floor) of the market valuation of the endowment assets at the end of the most recent calendar quarter; provided however in no event shall The Community Foundation spend more than 5.75% (the Cap) of the market valuation of the endowment at the end of the most recent calendar quarter.

Control of Assets/Material Restrictions: In order for a contribution to be treated as a charitable gift, the tax laws require that The Community Foundation retain ultimate control over investments, administration and grantmaking activity, related to contributions to The Community Foundation.

Variance Power: All contributions to The Community Foundation are subject to The Community Foundation’s variance power, as stated in the Resolution & Declaration of Trust as amended in April 2000. The variance power gives the Board of The Community Foundation by resolution adopted by the affirmative vote of nine of the eleven members of the Board the right to redirect the use of any fund in the event that over time the distributions from an endowed fund have become “unnecessary, undesirable, impracticable, impossible or incapable of fulfillment or inconsistent with the changing needs” of the community.

Assignments: Neither party to a fund may transfer nor assign a fund nor its obligations to a third party without the prior written consent of the other party. The advised function of any fund cannot be assigned except as specifically provided in the fund agreement or by amendment of that fund agreement signed by both parties.





Becoming a Greater New Haven Philanthropist

Whether you are a first-time donor or an experienced philanthropist, The Community Foundation is here to help you meet all of your philanthropic goals. You can establish a fund quickly and easily today by:

- Researching the many ways to make a gift, from cash to real estate, on our website cfgnh.org;
- Utilizing our website, cfgnh.org, and our nonprofit database, giveGreater.org[®], to learn about the many and various issues and organizations in the community;
- Deciding which fund option works best for you by consulting with The Community Foundation and your professional advisor.

Once you establish a fund, you will:

- Receive welcome materials from The Community Foundation;
- Qualify for an immediate tax deduction for your gift (and subsequent deductions whenever you add to your fund);
- Receive quarterly online statements for your fund;
- Become part of a collective community of philanthropists who care deeply about Greater New Haven, its progress, and its people — and who have chosen The Community Foundation as its philanthropic partner.

About Your Community Foundation

The Community Foundation for Greater New Haven is a philanthropic institution that was established in 1928 as the community's permanent charitable endowment. It is one of the oldest and largest community foundations in the United States and remains the largest grantmaker in a twenty-town region located in the heart of central Connecticut.

For more than three generations, thousands of donors have built the community's endowment by establishing permanent funds or making gifts to existing funds that distribute grants to a broad variety of issues and organizations. Through hundreds of individual funds, The Foundation disburses millions of dollars in grants and distributions, each year, to fulfill donor intent and the missions of nonprofits in the Greater New Haven region, and beyond. The Community Foundation is recognized by the IRS as a 501(c)(3) organization, and as such is exempt from federal income tax; donations are tax deductible to the fullest extent of the law.

Mission: To create positive and sustainable change in Connecticut's Greater New Haven region by increasing the amount of and enhancing the impact of community philanthropy.

Core Values: Integrity; diversity, equity and inclusion; vitality; collaboration; long-term vision; service; accountability; and excellence.

Frequently Asked Questions

Who runs The Community Foundation *for* Greater New Haven?

A volunteer group of eleven community leaders serves as The Community Foundation's Board of Directors, each for one seven-year term. Board members are selected for their knowledge of the community by six outside appointing authorities and the Board itself. The Board is supported by a professional staff led by the President and CEO, William W. Ginsberg.

How does The Community Foundation invest its perpetual funds?

The Community Foundation's investment strategy is that of a total return approach to endowment management. This long-term strategy seeks to provide a predictable, increasing amount of revenue for grantmaking while maintaining the endowment's purchasing power against the effects of inflation. To achieve these goals, The Community Foundation has implemented disciplined and integrated spending and investment policies.





The **COMMUNITY** Foundation *for* Greater New Haven

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