



DONOR HANDBOOK:
Your Philanthropy Portfolio



The Community Foundation for the National Capital Region and our regional affiliates:
The Montgomery County Community Foundation • The Prince George's Community Foundation





We're pleased that you have established a fund at **The Community Foundation for the National Capital Region**. Along with our two regional affiliate foundations, we welcome you to this extraordinary community of caring leaders and generous supporters. As one of our fund holders, you are in very good company. We invite you to take advantage of all the benefits and opportunities of being a member of our community foundation family.

The Community Foundation is here to serve as your partner in philanthropy through a combination of personalized service, learning opportunities, and online and print resources. Our professional staff is available to help you shape your giving strategy and learn more about issues facing the region, your community and effective nonprofits.

On the following pages you'll find details about the tools we provide to facilitate and inform your charitable giving. If you don't find the information you're looking for here, or if you'd simply like to have a conversation, please contact The Community Foundation or one of our affiliates.



THE MONTGOMERY COUNTY
COMMUNITY FOUNDATION



connection

Through learning opportunities, organized discussions and events, you can **network** with like-minded donors and national and local experts, meet board members and interact with our professional staff.

Donor Orientation

This informal session, held annually in February, is designed for you to meet and mingle with The Community Foundation staff and other new donors, while learning more about the latest community needs and The Foundation's efforts to serve you.

Donor Salons

These informative gatherings provide opportunities to share best practices in philanthropy, examine trends, review ways in which area nonprofit organizations are addressing important regional issues, and explore giving opportunities. The Salons also provide networking opportunities with other donors who share your interests.

Celebration of Civic Spirit Event

Held each spring, this fundraiser brings together our generous supporters to celebrate our region's dedication to philanthropy, and honors an extraordinary individual whose leadership and commitment to strengthening the community is inspiration to us all.

Linowes Leadership Awards

Since 1997, the Linowes Leadership Awards have recognized "unsung heroes" who exercise their community leadership in a variety of roles and across multiple sectors – as volunteers, faith leaders, activists, students, nonprofit staff or executives, public sector officials or business persons. Recipients are exceptional people, of all ages, whose compelling stories of courage and commitment have gone largely unrecognized. Awardees are honored at the Celebration of Civic Spirit event.

Annual Meeting

Generally held each November, our Annual Meeting features thought-provoking discussion forums as well as the President's report on the work of The Foundation and its affiliates during the past year. We invite and encourage all of our donors to attend this luncheon event.

Philanthropic Advisory Services

Our fee-based philanthropic advisory services, helps individuals, families, corporate and employee giving programs, private foundations, and community and collaborative funds map out their philanthropic vision and giving goals, design grantmaking initiatives, create effective ways to distribute resources, evaluate giving programs, and learn to become engaged partners in improving the quality of life in our region.

Legacy Society

The Community Foundation has served as a trusted partner in helping individuals and generations of families perpetuate their charitable giving beyond their lifetimes. The Legacy Society provides a full range of the most current options for arranging bequests and other types of planned gifts that are expertly managed.

Spirit of Giving 100

This innovative giving circle was designed to involve and empower 100 donors who wish to engage in strategic and effective philanthropy by pooling their resources to collectively make high-impact grants to some of our region's most effective nonprofits. The goal? To award \$1 million over the next two years to outstanding nonprofit organizations working in the full range of issue areas, such as workforce development, education reform, arts and youth development.

value

The Community Foundation's **website** provides tools to enhance your philanthropic experience by delivering information on community needs, upcoming events, access to your fund activity and charitable giving issues that affect the metropolitan Washington region.



Website

Our website is an abundant resource of information about The Foundation's latest news, services, and grantmaking. The site also enables you to access Donor Central, an online tool to manage your fund activity. Please bookmark our address at **www.thecommunityfoundation.org**.

E-News

Stay informed about timely issues, Foundation events, and critical needs in the community by registering to receive The Community Foundation's E-News.

Donor Central

Available to donors with advised funds, this username and password-protected area of our website enables you to make grant suggestions online, view fund balances, and access a detailed list of fund contributions and prior grants.

Research

Serving as a platform for addressing community needs, The Foundation commissions research to understand issues, analyze trends, and develop solutions. You can learn more about the community by reviewing our latest initiatives and issue briefs examining pressing regional issues.

Donor Stories

These inspirational stories sparked by donors and their philanthropy provide new perspectives on how others are working to strengthen their communities through their giving.

Publications

Looking for Community Foundation publications? The Library in the "About Us" section of our site is a great place to start your search. This resource allows you to download annual reports, newsletters, and issue briefs. Also, you can always contact The Foundation to request a print version of any publication.

Contact Us

Looking for answers? Need a publication, more information or a sit-down conversation? You can send any Community Foundation staff member an email through the staff list on our website, or send a general email to The Foundation by using the Contact Us page.

guidance

Through targeted mailings, our **publications** keep you up-to-date about the work of The Foundation and its affiliates, local nonprofit organizations, and philanthropic news impacting our community.

Making Connections

Published four times a year, our newsletter provides educational articles on important issues, highlights the work of our affiliate foundations, and lists upcoming events and dates to mark on your calendar.

Quarterly Fund Statements

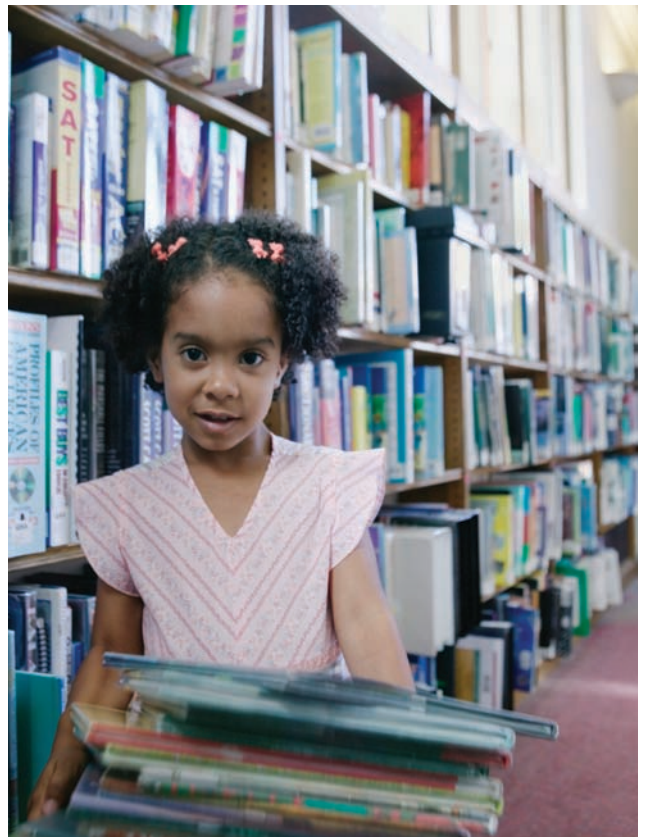
This “snapshot” of your fund – provides the market value of your fund at the end of each quarter. The statement is sent with a note sharing Foundation news and notice of upcoming events.

Annual Report

With a look back at The Foundation’s activities, fiscal management, grants, and new donors for the year, the Annual Report keeps you informed of our progress and the new additions to The Community Foundation family of donors and its affiliates.

Funding Opportunities

We share details about specific programs with the hope that by pooling collective resources of our donors and The Foundation, we can effectively and efficiently support these programs and address major community issues.



commitment

Our **Shared Investment** to strengthen the region



Throughout the year, The Community Foundation and our affiliates highlight critical issues in the community to bring to your attention. Typically, these are programs that have the potential to improve life in the metropolitan Washington region.

The Community Foundation maintains a core focus on ensuring equity, access and opportunity for our region's diverse communities. Our work in the fields of education, workforce development and youth development is a thread that runs through most of our work in the community.

Our Community Investment team makes it a priority to meet with and vet local nonprofits and their programs. In those discussions and through conversations with community leaders and other groups, we are extremely knowledgeable about our community, its needs, and emerging issues that will affect our citizens and life in the metropolitan Washington region. As your trusted philanthropic partner, we strive to make your experience as effective and efficient as possible. By featuring these community programs, we share knowledge that helps inform your giving.

You can expect to learn about these programs through:

- Our website
- *Making Connections*, a quarterly publication mailed to you throughout the year
- Annual Report
- Funding Opportunities Alerts
- E-News articles
- Foundation-conducted or sponsored research
- *Spirit of Giving 100* sessions
- Your Donor Services department

partnership

Our two **regional affiliate foundations** offer additional resources and programs in their respective regions of Montgomery and Prince George's counties in Maryland.

The Montgomery County Community Foundation

The Funders' Roundtable of Montgomery County

The Roundtable provides representatives of local and regional companies, donors and foundations an opportunity to become better acquainted with one another and learn more about charitable giving opportunities in Montgomery County. During each quarterly luncheon, approximately 25-50 funders lead a discussion with local experts on a variety of topics selected in advance by the group, such as healthcare, housing, education and workforce development. These informative sessions are held at the Round House Theater in Bethesda. Lunch is provided, courtesy of Roundtable sponsors.

Celebration of Giving

This annual fundraiser honors an individual, family or business which has made a special impact in the Montgomery County community through charitable giving and whose philanthropic leadership sets an inspiring example for us all. The selected honoree is given The Clifford M. Kendall Award for his or her exceptional spirit of giving.

The Prince George's Community Foundation

Civic Leadership Awards

This awards dinner held in the Spring recognizes, honors, and promotes outstanding community leadership in Prince George's County, Maryland. The awards salute individual servant-leaders who enhance the quality of life in the County, working tirelessly and unselfishly behind the scenes and in the forefront. The Awards Gala provides an opportunity to celebrate invaluable contributions of honorees and generate revenue in support of the County's nonprofit sector.

Partnership for Prince George's County

The Partnership is a unique collaboration of regional foundations, nonprofit organizations, government and local citizens working together to increase the capacity, visibility and sustainability of the county's nonprofit sector.

access

We are always **available** to provide advice and answer any questions you may have about featured programs, nonprofit organizations or other community needs. Please call, write or email. We are happy to assist you!

The Community Foundation for the National Capital Region

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www.thecommunityfoundation.org

The Montgomery County Community Foundation

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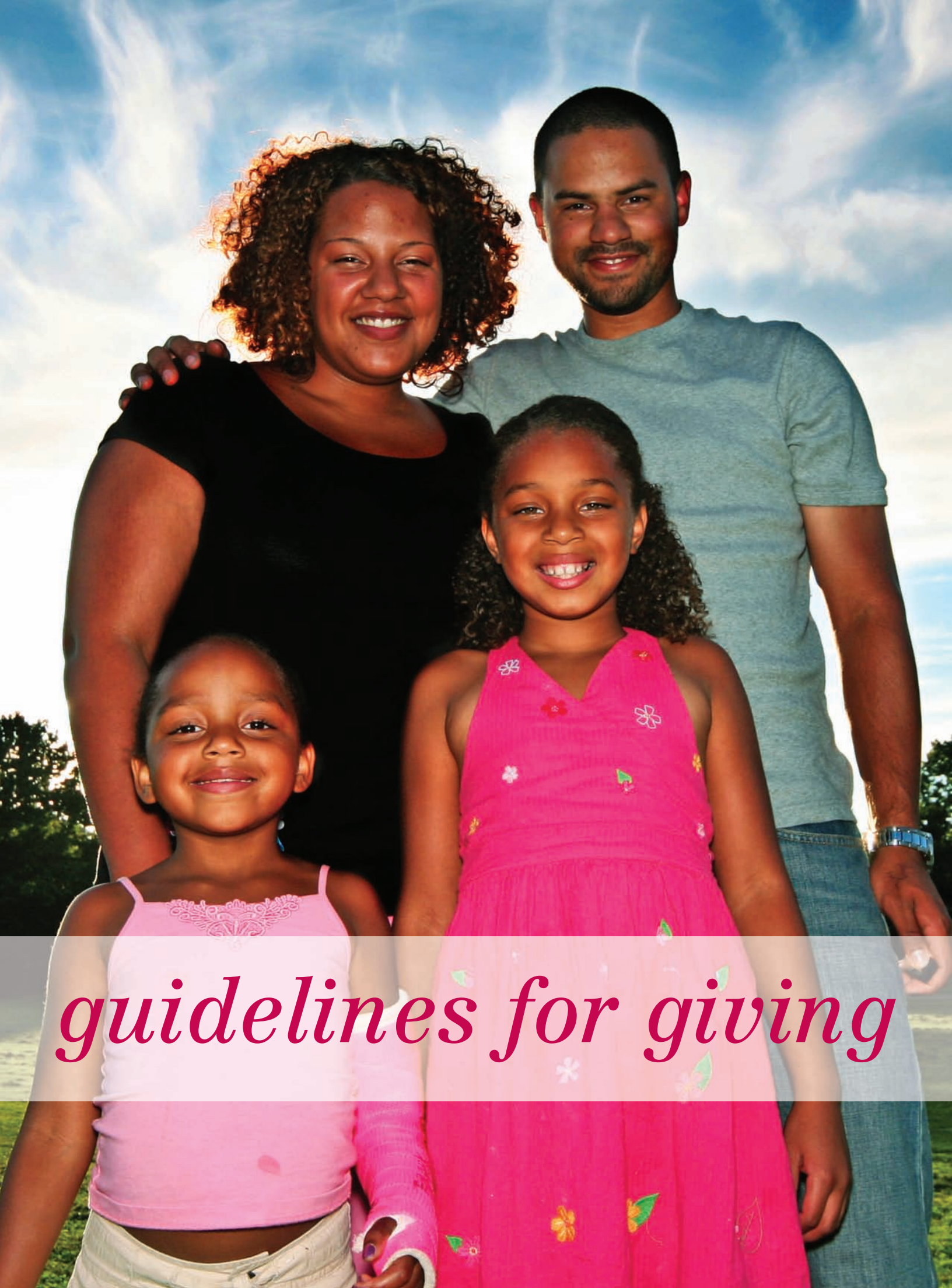
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THE MONTGOMERY COUNTY
COMMUNITY FOUNDATION





guidelines for giving



Understanding the grant recommendation process

Generally, the donor, or other person designated by the donor at the time the fund is created has the opportunity to recommend disbursements from the principal and income of the advised fund. The Community Foundation shall consider and evaluate all such recommendations, as they are advisory in nature. The law expressly recognizes the right of living donors to make grant recommendations; however, the regulations adopted by the Internal Revenue Service clearly state that the governing body of a community foundation must exercise final discretion and control concerning the expenditures of such funds. The Board recognizes its responsibility to support charitable organizations that donors care about while balancing the need to exercise good judgment.

Grants are paid to organizations defined as tax-exempt public charities under the Sections 501 (c)(3) and 509 (a) of the Internal Revenue Service Code. Although we encourage donors to invest in the metropolitan Washington region, you may suggest a grant to any public charity located in the United States.

There are several additional policies that govern The Community Foundation's grantmaking:

- Donors may recommend installment grants. These grants are approved for the full grant amount, but are paid in installments based on a schedule recommended by the donor.
- If there are benefits associated with a grant, the donor will be asked to pay for the non-tax-deductible portion of the contribution. Benefits associated with grants include membership in a museum association or tickets to a benefit dinner

or concert. Specific directions for making these payments can be found on the Donor Suggestion Form.

- As a matter of policy, The Foundation does not allow grants to be made to private, non-operating foundations.
- The Community Foundation will decline to make distributions recommended by advisors when the grantee is not a tax-qualified charitable organization as described in Section 501(c)(3) of the IRS Code.
- Upon investigation, if The Community Foundation finds that the recommended recipient does not meet The Community Foundation's general standards for grantmaking, the recommendation will be declined.
- Making pledges in your own name from a donor advised fund is not allowed under IRS regulations.

Important information on pledges: *Many nonprofit organizations urge donors to make pledges of financial support. The U.S. Treasury Department has ruled that, when an individual makes an irrevocable commitment in his own name to a charity, the commitment cannot be satisfied with a grant from a foundation. On the other hand, a foundation such as The Community Foundation for the National Capital Region can and does make pledges in its own name to some of its own initiatives, while others are made at the suggestion of its donors. Please contact The Community Foundation for more information.*



Grant recommendations

To initiate a grant request, simply fill out a Donor Suggestion Form and fax, mail or email your grant recommendations to the Grants Manager. Copies are enclosed with this guide and also are available on request. You also may submit recommendations through our website, www.thecommunityfoundation.org by using Donor Central. To obtain access to the online database, you must contact the Development and Donor Services department for username and password information.

To process your requests in a timely fashion, please supply the name and address of the organization, the amount of the proposed grant, contact person and/or any special instructions relating to the purpose of the grant. The donor may suggest a grant for general support or for a particular program or activity sponsored by a qualified local, regional, or national organization. While The Community Foundation may occasionally distribute grants as small as \$250, donors are urged to submit grant recommendations of \$500 or more.

You may submit grant recommendations at any time, and as often as you wish. Generally, the donor, or other person designated by the donor at the time the fund is created, has the flexibility to recommend disbursements from the principal and income of the fund. The Community Foundation shall consider and evaluate all such recommendations, as they are advisory in nature. The proposed grants must be equal to or less than the balance in your fund. There are no minimum annual payout requirements for a donor advised fund. Although The Foundation encourages you to support organizations that you care about, you are free to let your fund grow until you are ready to make grants.

Receiving Your Grant Recommendation

The Grants Manager conducts an investigation of all grant recommendations. The extent of this investigation depends on the information that The Community Foundation maintains on the recommended grantee. For example, The Foundation has developed a list of nonprofit organizations that have been investigated and approved by The Community Foundation's Board of Trustees and do not have to undergo a due diligence process. Organizations that are not on this "pre-approved" list have their classification as a public charity under Section 501(c)(3) of the Internal Revenue Service Code verified, and information about its mission, purpose, and program is gathered by the Grants Manager. If your suggested donation includes non-tax-deductible benefits, there are additional steps that must be completed before the suggestion can be presented to the Board of Trustees.



Issuing Grant Checks

The Community Foundation staff strives to provide prompt service and respond to your suggestions in a timely manner. Recommendations to approved organizations that we have previously made grants to can be submitted by close of business every Tuesday for processing and distribution by Friday. There may be an occasional delay if a fund's assets are not liquid, if there are insufficient assets to cover all grant requests or if we are unable to verify the charitable status of the organization.

Organizations that we are not familiar with will undergo a more rigorous review to ensure compliance with IRS requirements. Grant recommendations to these organizations may take up to two weeks from receipt of the request.

The Community Foundation's Board of Trustees meets quarterly; grants are approved by the Executive Committee between Board meetings.

Notification of Your Grant

Grants and award letters are mailed directly to the nonprofit organization. The organization receives an award letter that includes the name of your donor advised fund (unless you request anonymity). If you wish, we can include your name and address so that the organization can thank you personally. Due to the large number of grants processed at year's end, additional time may be required due to the volume of requests. We will provide you with a copy of the award letter within one week of distribution.

Making Additional Contributions to Your Fund

You may add to your fund at any time, and in any amount. Other persons, usually family members or friends, also may make additions to your fund. Assets such as cash and securities, including stocks, bonds and mutual fund shares are routinely accepted. Other assets such as real estate or interests in closely held businesses can also be accepted based on review. The Community Foundation will accept most assets and provide you with a receipt to substantiate your charitable income tax deduction.

Transfers of securities are generally sent as a wire or by mail. The Community Foundation has transaction accounts with most of the major and regional brokerage firms to facilitate this process. If you plan to make a stock gift via an electronic transfer, please notify the Foundation prior to the gift transfer, so we can place the gift in the appropriate fund.

In cases involving more complex gifts such as real estate, shares in closely held businesses or other unusual assets, the proposed gift may require additional review which can add several weeks to the process.

Giving in December

Many of our donors wish to make additional gifts to their fund(s) in December. We strongly encourage you to complete such year-end gifts as early in the month as possible to avoid any unforeseen delays. To process year-end grant recommendations in a timely manner, we suggest that you submit your requests by mid-December.



Submitting Grant Recommendations

Fax/Mail

Submit your completed donor suggestion form(s) to the Grants Manager via fax at 202-955-8084 or the appropriate affiliate office. Contact information for The Community Foundation and its affiliates is available on the donor suggestion form and at www.thecommunityfoundation.org.

Online

Donor Central is a new service that allows you to manage your fund activity online, by:

- Viewing detailed financial data and downloading fund statements
- Submitting grant recommendations
- Receiving up-to-date information regarding donor education and community events, philanthropic news and funding opportunities

Request Access

If you are an advisor to a fund at The Community Foundation, please enroll with our Development and Donor Services department to receive your login information required to access Donor Central. Please contact Starlet Hunter at 202-263-4763 or shunter@cfncr.org.



Logging In

After you've been given your login information, you may access the Donor Central database through The Foundation's homepage at www.thecommunityfoundation.org or by visiting www.edonorcentral.com. Once you've accessed Donor Central, enter your username and password information in the respective fields.

legacy

issues

service

leadership

compassion

results

dedication

investment

innovation

vision

impact

expertise

change

trust



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