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stark community foundation

PROFESSIONAL ADVISOR TOOLKIT

Helping you help your clients maximize their charitable giving

AS YOUR PHILANTHROPIC PARTNER, WE ARE HERE TO HELP.

As a trusted professional advisor, you know the unique needs and goals of your clients. At Stark Community Foundation, we understand our region's needs and nonprofits. By working together, we can help your clients amplify the impact of their charitable giving, both in Stark County and beyond.

For more than 60 years, Stark Community Foundation has worked closely with tax, legal and financial experts like you to identify the best solutions for meeting clients' financial and charitable goals. The Foundation has become a trusted resource for professional advisors seeking strategies to help clients maximize their philanthropic impact.

Advisors choose to refer their clients to Stark Community Foundation for a variety of reasons. Some are drawn to the simplicity and convenience of establishing a charitable fund, while others value our deep knowledge of our area's needs and opportunities. Many clients appreciate the opportunity to create a lasting personal legacy or to instill the values of giving and community service in their children and grandchildren.

Together, we can make a lasting difference for your clients and the community.

PROFESSIONAL ADVISOR TOOLKIT

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Identify Your Ideal Clients

At Stark Community Foundation, we understand that every client is unique—and so is their approach to charitable giving. As a trusted advisor, you play a vital role in helping your clients navigate philanthropic decisions. We're here to partner with you, offering flexible giving solutions that maximize tax benefits and align with each client's values, goals and plans.

Use this checklist to help identify clients who may benefit from opening a charitable fund at Stark Community Foundation to meet their personal, philanthropic needs.

Life Circumstances

- [✓] Client has more than enough to provide for heirs and is exploring charitable legacies.
- [ ] Client does not have children or immediate heirs.
- [ ] Client is navigating estate planning and is emotionally "stuck."
- [ ] Client is receiving a financial windfall (e.g., inheritance, business sale, year-end bonus).
- [ ] Client is nearing retirement and wants to simplify annual charitable giving.
- [ ] Client is divesting a private foundation or is frustrated with its administration.
- [ ] Client wants to involve their children or grandchildren in philanthropy.

Philanthropic Behaviors

- [ ] Client already donates regularly to multiple nonprofits.
- [ ] Client expresses a desire to give back to the community.
- [ ] Client is passionate about a cause but uncertain about where to give.
- [ ] Client values privacy or anonymity in giving.
- [ ] Client wants giving to continue after their lifetime.

Financial Considerations

- [ ] Client has highly appreciated assets they're considering donating.
- [ ] Client is facing a high-income year and wants a current-year deduction.
- [ ] Client is seeking ways to maximize tax efficiency.
- [ ] Client needs a charitable strategy to complement broader wealth or estate plans.

Here are a five sample scenarios that highlight how we can partner with you to support your clients' unique goals. While not an exhaustive list, these scenarios offer a glimpse into the many ways we can help.

FAMILY DYNAMICS

SCENARIO

Your client has more than enough assets to provide for her financially successful children. She wants to encourage her children and grandchildren to make a difference philanthropically.

OUR SOLUTION

Establish a Donor Advised Fund in the family's name. This fund can be tailored to reflect the family's values, enabling them to recommend grants to nonprofits that align with their shared interests.

BENEFIT TO CLIENT

Your client knows her gift will sustain the family name and has the potential to pass on philanthropic values to successive generations.

NO CHILDREN TO INHERIT

SCENARIO

Your client does not have children and has more than enough in his estate to appropriately remember special loved ones.

OUR SOLUTION

Preserve your client's legacy by establishing a Designated Fund, which allows your client to direct his giving to specific causes or organizations that are meaningful to him. Our team will ensure that his wishes are honored, providing ongoing support to these causes in perpetuity.

BENEFIT TO CLIENT

Your client can create a lasting legacy in his community, supporting the causes he cares about forever.

TAXABLE MOMENTS

SCENARIO

Your client earns a significant year-end bonus or commission, sells a business or receives an inheritance, etc. She likes the idea of making a large donation to organizations or institutions in her community but wants to take her time deciding which charities to support rather than rushing to decisions before the end of the tax year.

OUR SOLUTION

Create a Donor Advised Fund. Depending on the nature of the liquidity event, your client has the flexibility to control the timing of the transfer of assets to her fund, and she can take her time deciding which nonprofits to support.

BENEFIT TO CLIENT

Your client earns an immediate tax deduction and has direct access to our expert professional staff for help with grantmaking and philanthropic strategy— all on her own timetable.

PHILANTHROPY IN ESTATE PLANNING

SCENARIO

Your clients have gotten "stuck" in estate planning, and you suspect it's because thinking about the end of life is simply hard for them, as it is for many people.

OUR SOLUTION

Give the clients something positive to think about, like sustaining a valued institution or helping others through a Designated Fund.

BENEFIT TO CLIENT

Focusing on something future-oriented, like a legacy to the community, creates a sense of personal satisfaction that may be enough to develop a sense of closure in the estate planning process.

PRIVATE FOUNDATION SERVICES

SCENARIO

Your client has managed their family's private foundation for years, but they're now feeling frustrated by the increasing complexity. The process of making annual grants has become challenging, the administrative tasks are taking time away from the joy of giving and the trustees are either unable or unwilling to continue serving.

OUR SOLUTION

Stark Community Foundation offers several flexible options to help address the challenges of managing a private foundation while maximizing philanthropic impact. We will work closely with you and your client to determine the best approach for their family's needs, including:

Option 1: We handle the administrative tasks of your client's private foundation, including suggesting nonprofits, tracking grants, coordinating site visits and gathering progress reports, easing the management burden.

Option 2: Your client supplements their private foundation with a Donor Advised Fund, allowing them to fulfill their annual 5% payout requirement while gaining more time to decide which causes to support.

Option 3: Your client converts their private foundation into a Donor Advised Fund, eliminating the 5% payout requirement while maintaining control over their family's charitable giving decisions.

BENEFIT TO CLIENT

Stark Community Foundation can relieve your client of the administrative burdens of their private foundation while preserving their charitable intent. Our expert team can ensure their giving continues in a cost-effective and impactful way. If they want, current trustees, directors and/or family members can stay actively involved in guiding where grant dollars go.

Why Choose Stark Community Foundation?

Whether you are an accountant, attorney, estate planner or financial advisor, you always have your clients' best interests at heart. So do we.

Stark Community Foundation works hand-in-hand with professional advisors to help their clients achieve their goals through philanthropy. Our experienced staff creates giving strategies that are meaningful, tax-wise and effective for clients from all walks of life. As a behind-the-scenes philanthropic partner, we also manage all the administrative work so advisors can focus on building relationships and meeting their clients' financial and charitable goals.

10 REASONS TO PARTNER WITH STARK COMMUNITY FOUNDATION

1. We are a valuable resource for charitable planning.
From setting up affordable alternatives to private foundations to creating charitable instruments that provide a lifelong stream of income, we offer customized, tax-smart giving solutions to meet your clients' needs.

2. We are Stark County experts.
Our in-depth knowledge of the region's issues and nonprofit organizations enables us to provide personalized grantmaking assistance to your clients if and when needed.

3. We respect your role as your client's advisor.
We may be part of the conversation, but you will always remain in control of your client relationships. Our primary goal is to equip you with resources that can help you meet your clients' financial and philanthropic goals in a uniquely personal way.

4. We accept a wide range of gifts.
From retirement accounts and highly appreciated stock to more complex gifts, we make giving easy and ensure your clients receive the maximum tax benefit.

5. We offer unparalleled service.

We provide your clients with an array of concierge-level support services, including personal consultations with our staff and visits to local nonprofits— all at no cost. We also provide resources for advisors, from up-to-date information on charitable tax law to online giving tools.

6. We simplify your paperwork.

We offer easy-to-understand fund agreements that can be tailored to your client's unique situations. Funds can be started in as little as a day and may be named in a way that protects your clients' privacy or recognizes their family or business.

7. We preserve your hard-earned relationships.

Qualified, Stark Community Foundation board-approved investment managers have the opportunity to continue managing their clients' charitable assets should the donor prefer this. This arrangement opens the door to building relationships with the next generation of your clients' families as they get involved in philanthropy.

8. We make your clients' giving go further.

Our long-term investment strategies protect and grow your clients' charitable assets so they can support their favorite causes in perpetuity.

9. We are a community leader.

We are a community leader, convening organizations and professionals and coordinating resources to drive transformative change.

10. We thank you publicly.

We offer public recognition for your commitment to Stark County and your clients in our newsletter and website.

Types of Funds and Fees

Choose the fund that is right for your clients.

Stark Community Foundation helps individuals, families, nonprofits and businesses achieve their philanthropic goals. Setting up a named charitable fund is easy to do and can be completed in less than a day. No matter your clients' giving goals, Stark Community Foundation can create a fund to help them make the most of their philanthropy. We offer several different types of funds and foundations, including:

DONOR ADVISED FUND

Take a personal approach to your giving by making grants to any nonprofit as often as you'd like.

Allows you the flexibility to give to multiple organizations and programs throughout the year from one account.

Fee Range: 0.60 - 1.10%

$10,000 MINIMUM | $0 SETUP FEE

CORPORATE DONOR ADVISED FUND

Support causes in the community that strategically align with your business goals.

Allows you to support a wide array of causes in the community through one simple and convenient account.

Fee Range: 0.60 - 1.10%

$10,000 MINIMUM | $0 SETUP FEE

DESIGNATED FUND

Help your favorite nonprofits sustain and grow by earmarking your funds for one or more organizations.

Allows you to continuously make automatic grants to your favorite charities without any extra effort.

Fee Range: 0.60 - 0.75%

$10,000 MINIMUM | $0 SETUP FEE

FIELD OF INTEREST FUND

Make an impact in a targeted area you are passionate about.

Allows you to support the evolving needs of a variety of nonprofits focused on your broad area of interest, such as the arts, education, healthcare or a specific geographic area.

Fee Range: 0.75 - 1.25%

$10,000 MINIMUM | $0 SETUP FEE

HOW IT WORKS

Every donor's charitable goals, personal passions and tax planning needs are unique. We recognize this and offer an array of giving options that meet your clients' needs and interests.

Think of a charitable fund as a combined checking and savings account— set aside specifically for charitable purposes. It's an organized and direct way for your clients to give back to the causes they care about most.

ORGANIZATION ENDOWMENT FUND

Create a constant, predictable stream of income for your nonprofit organization.

Allows you to protect your charitable dollars and ensure the sustainability of your nonprofit organization.

Fee Range: 0.60 - 0.75%

$10,000 MINIMUM | **$0 SETUP FEE**

SCHOLARSHIP FUND

Help deserving students advance their education by providing money to offset their college tuition.

Allows you to support the educational dreams of the next generation.

Fee Range: 1.50 - 1.75%

$25,000 MINIMUM | **$0 SETUP FEE**

COMMUNITY CHARITABLE FUND

Address our community's pressing needs and opportunities by relying on the Foundation's grantmaking team to evaluate and determine which programs and organizations to support.

Allows you to have the greatest impact on our evolving community.

Fee Range: 0.75 - 1.25%

$10,000 MINIMUM | **$0 SETUP FEE**

SUPPORTING FOUNDATION

Support local causes and beyond through a separate 501(c)(3) entity with your own governing board of directors.

Allows you to remain independent while enjoying less restrictions and maximum tax benefits.

Fee Range: Varies by service level

$500,000 MINIMUM | **$0 SETUP FEE**

About Our Investments

Investing your clients' charitable dollars is a commitment and responsibility we take very seriously. As part of our more than $425 million diversified portfolio, their funds are securely invested to provide for long-term growth. The strength of a large pooled portfolio gives your clients more purchasing power, allowing them to reap the benefits of a maximum return while minimizing risk.

INVESTMENT POLICY

LONG-TERM OBJECTIVE

The goals of the Foundation in relation to its investment assets (which are defined to include all the assets of the Foundation's component funds and supporting foundations, referred to as "Portfolio") are to:

- Preserve the Portfolio's purchasing power through asset growth in excess of the spending rate plus the rate of inflation.
- Invest assets in order to maximize the long-term return while assuming a reasonable level of risk. Here, risk is defined as the traditional measure of standard deviation, but it is not limited to that definition. The goal is to utilize a broader definition of the word to include, but not be limited to: the risk of principal loss, liquidity risk, tracking risk against a specified benchmark and investment manager specific risks.

In order to support the goals stated above, the Foundation aims for the Portfolio to earn a rate of return that is at least equivalent to the rate of inflation plus the Foundation's spending rate plus administrative costs. Thus, the long-term objective for the Portfolio is that it will earn a return of at least the Consumer Price Index plus 5.75%.

SHORT-TERM OBJECTIVES

The goal of the Foundation over each five-year period of time is to earn a rate of return on the Portfolio in excess of the total Portfolio benchmark return, after investment management fees have been deducted.

In order to evaluate the performance of the managers over shorter periods of time, the Foundation also has adopted a market-driven benchmark for each manager. For the Portfolio as a whole, the total Portfolio benchmark will consist of a suitable index for each asset class used. These indices will be weighted on a monthly basis according to the strategic asset allocation targets.

Download our full Investment Policy Statement at: **starkcf.org/ips**

PROGRAM FOR INDIVIDUALLY MANAGED FUNDS

Stark Community Foundation recognizes that some donors may prefer to have their own professional advisor manage their charitable assets. In an effort to accommodate this request, the Foundation offers donors the opportunity to recommend a trusted investment manager to manage their donated assets through its Program for Individually Managed Funds. Through a due diligence process, each advisor is evaluated to determine if they meet the Foundation's sound investment strategy. More information about this program and its requirements is available upon request.

Ways to Give

Here are the most common ways donors give through Stark Community Foundation:

CASH

Cash is the easiest way to contribute. Clients who make cash gifts are eligible for a charitable deduction during the calendar year the gift was made.

APPRECIATED STOCK

Stocks may be donated to Stark Community Foundation as a charitable gift. Your clients are eligible for a tax deduction for the stock's fair market value. By donating appreciated stock to Stark Community Foundation, your clients can avoid capital gains tax that would otherwise occur at the sale of the stock.

REAL ESTATE AND PERSONAL PROPERTY

Residential property, commercial or industrial sites and undeveloped land are attractive assets for charitable giving. Your client can contribute a piece of real estate, or a partial interest in a piece of real estate, to Stark Community Foundation. Some donors choose to contribute property while retaining the right to live there during their lifetime. Special rules apply to donating personal property, so please discuss your clients' plans with Stark Community Foundation beforehand.

LIFE INSURANCE

Your clients can donate a life insurance policy to Stark Community Foundation or simply name us as the policy's beneficiary. For a gift of a paid-up policy, donors will receive an income tax deduction equal to the lesser of the cash value of the policy or the total premiums paid. Donors must name the Foundation as owner and beneficiary to qualify for the federal charitable contribution deduction on a gift of an existing policy.

RETIREMENT ACCOUNTS

Donors can use assets held in an individual retirement account (IRA), 401(k), 403(b) or similar account to start a fund at Stark Community Foundation. Many donors donate all or part of their retirement plan since these accounts are the most heavily taxed assets in an estate at the time of death. To make a gift using retirement assets, simply designate Stark Community Foundation as a partial or full beneficiary. There is no cost, and the beneficiary designation can be changed anytime.

BEQUESTS

A charitable bequest is the most common form of planned giving. By including a charitable bequest in a will, your clients can make gifts that are simple and, in many cases, larger than they could make during their lifetime. Visit **starkcf.org/bequest** for sample bequest language.

CHARITABLE REMAINDER TRUSTS

Charitable Remainder Trusts allow your clients to support the community, retain an income stream and receive a substantial charitable income tax deduction. The trust pays either your client or a designated beneficiary a series of fixed or variable payments for life or for a fixed term (not to exceed 20 years) or a combination of the two.

CHARITABLE GIFT ANNUITIES

Charitable Gift Annuities allow your clients to make a substantial gift to charity while retaining the right to a life income. In the case of Charitable Gift Annuities, that income is a fixed amount based on actuarial tables published by the American Council on Gift Annuities. A donor may defer receipt of the income for one or more years, increasing the ultimate payout. This strategy is known as a Deferred Gift Annuity. It is often used as a supplemental retirement plan for individuals who have already contributed the maximum amount to their qualified plan.

Our Partnership

We all benefit from the strongest possible relationship between you and your client. We never look to eclipse your role— we want to enhance it. Stark Community Foundation can work entirely in the background, or take a more active role in guiding conversations.

A PARTNER THAT ENHANCES YOUR PRACTICE

We work closely with you to help identify the best ways to meet your clients' financial goals as well as accomplish their charitable giving objectives. As your clients are considering how to make an impact, we want to work alongside you to lead family discussions around giving goals, supporting their passions and developing strategic giving plans.

WHAT ADVISORS ARE SAYING

"In working with clients who want to leave a lasting and meaningful legacy, I encourage them to establish a Donor Advised Fund with Stark Community Foundation. By offering a streamlined set-up process, direct community impact and flexibility in carrying out the wishes of donors, SCF is a convenient and economical way to plan gifts that support their passions, both now and beyond our lifetimes."

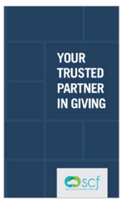
– Jennifer Lile, Attorney
Krugliak, Wilkins, Griffith & Dougherty, Co., LPA

"Stark Community Foundation is a fantastic resource for me and our clients to provide input on the current needs within the community and to help clients accomplish their philanthropic goals."

– Brian C. Layman, JD, CPA, M.Tax, Principal
Layman Law Group

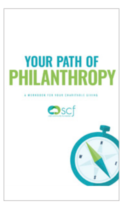
Advisor Resources

We are happy to offer the following materials to assist you in your charitable giving discussions with your clients. Feel free to contact us at any time for additional assistance on a confidential basis, and visit the links below to access and download these resources.



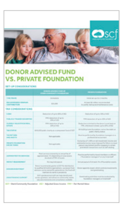
YOUR TRUSTED PARTNER IN GIVING

Discover the many ways your clients can make a lasting impact through Stark Community Foundation. This publication outlines our full range of philanthropic services and giving options. Download at: **starkcf.org/partner**



CHARITABLE GIVING WORKBOOK

Use this custom workbook filled with thoughtful questions to help your clients reflect on their values, define their charitable goals and shape a meaningful legacy. Download at: **starkcf.org/workbook**

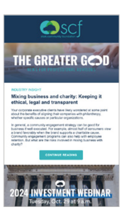


DONOR ADVISED FUND VS. PRIVATE FOUNDATION COMPARISON

For clients exploring a private foundation, use this side-by-side comparison to show how a Donor Advised Fund offers more flexibility with less administrative hassle. Download at: **starkcf.org/daf-vs-pf**

BEQUEST LANGUAGE

Ensure your clients' wishes are clearly documented by establishing a fund agreement in advance. These language examples can support you during the estate planning process. Download at: **starkcf.org/bequest**



EMAIL COMMUNICATION

Receive Stark Community Foundation's communication, including newsletters, blog posts, financial insight and foundation news that may be relevant for your clients. Sign up at: **starkcf.org/pa-news**

TO LEARN MORE ABOUT HOW STARK COMMUNITY FOUNDATION CAN HELP YOU ASSIST YOUR CHARITABLE CLIENTS, CONTACT:

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