

NORTH TEXAS COMMUNITY FOUNDATION

Philanthropic Solutions

1. We are a **local organization** with deep roots in the community.
2. We provide **highly personalized service** tailored to each individual's or family's charitable goals, financial interests and desired impact through thoughtful donor planning meetings.
3. Our **knowledgeable staff** communicates frequently with nonprofits and researches issues and needs specific to our community.
4. We accept a **wide variety of assets** and can facilitate even the most complex forms of giving.
5. We offer the **flexibility** to update your giving plan when necessary.
6. We **partner with professional advisors** to create highly effective approaches to charitable giving.
7. We offer the **maximum tax advantage** for most gifts under state and federal law.
8. We **multiply the impact** of gift dollars by pooling them with other gifts and grants.
9. We build **endowment funds** that benefit the community forever and help create personal legacies.
10. We offer funds that allow generations of families to **give together**.

CONTACT US

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PRIVATE FOUNDATION VS. COMMUNITY FOUNDATION

Things to Consider	North Texas Community Foundation	Creating a Private Foundation
Organization	Established (1981)	Must establish
Tax exempt	501 (c)(3) status	Must establish with the IRS
Funds required	\$25,000 minimum	Experts recommend \$10 million minimum
Selection of grantees	Donor, family, his/her advisory committee recommend grantees via DonorCentral, by fax or letter	Donor specifies grantees
Tax deductibility of gifts	a) Up to 30% of donor's adjusted gross income (50% with cash donation) b) Excess may be carried over for 5 years	Limited to 20% of donor's AGI (30% with cash donation)
Federal approvals, restrictions and special taxes	a) Approved by IRS b) No payout requirement c) No federal excise tax	a) Must receive IRS approval b) IRS requires 5% of assets to be paid out annually c) Fund is charged 2% federal excise tax on income unless strict requirements are met d) Greater incidence of IRS field audit
Legal documents for creation of foundation, designation of funds and grant awards	Included	Must create
Office space	Included	May need to obtain
Staffing	Included	May need to obtain
Accounting services	Included	Must obtain
Tax return (state and federal)	The Community Foundation prepares as part of services	Must prepare
Public report	Report to public; fund privacy maintained	All finances and grants made public
Knowledge of potential grantees	The Community Foundation provides as needed	Must develop
Grant evaluation process to ensure donor's intent satisfied	In place, easy and convenient	Must develop
Public recognition for donor	Fund may be named or anonymous; we publicize grants made from funds, if desired	Must provide or rely on grantee organization
Director/officer liability insurance	Included	Must obtain
Investment of assets	Investment committee oversees investment policies; pro-rate investment fee applied	Must establish policies and select investments
Organization overhead	1% annual administration fee up to \$1 million; tiered above \$1 million, depending on the services provided	Some costs, depending on donor choices — plus 2% federal excise tax on investment income