

COMMUNITY FOUNDATION OF SOUTHERN INDIANA

GENERAL PRESENTATION ON TRANSFER OF WEALTH

- How many of you are familiar with *(insert Community Foundation name here)*?
- Community Foundations started in 1914 in Cleveland.
- Banker and lawyer Frederick H. Goff had a vision.
- According to the Cleveland Foundation - the “mother ship” of foundations –
 - “his vision was to pool the charitable resources of Cleveland’s philanthropists, living and dead, into a single, great, and permanent endowment for the betterment of the city.
 - Community leaders would then forever distribute the interest that the trust’s resources would accrue to fund ‘such charitable purposes as will best make for the mental, moral, and physical improvement of the inhabitants of Cleveland.”
 - And from that idea, the Cleveland Foundation was born on Jan. 2, 1914.
- Today there are more than 700 community foundations throughout the US and around 1,700 community foundations worldwide.
- In Indiana, Lilly Endowment created community foundations in nearly every county.
- *(Inset CF name here)* started in *(year)* with a few funds and *(insert dollar amount)*.
- Today we have over *(number of funds)* funds and *(dollar amount)* in assets.

- Most people are familiar with private foundations.
- So, how are we different?
 - Our job is to oversee and administer each of our funds in accordance with the donor’s wishes & the law. In a private foundation it is the donor’s responsibility to handle all aspects of the administration, investment and distribution.
 - Additionally tax laws are more favorable for community foundations and their donors.
 - Some of our assets are UR - which means our board decides grants based on greatest needs of community;
 - But most of our funds are created by our donors and for specific purposes which are clearly identified through a fund agreement.

- One of the best things about my job – I get to help people just like you create a customized charitable fund to do whatever it is that you want to do with your charitable dollars, no matter what that is – we can help it happen now, and for generations.
- I get to help save the world, one fund at a time!

- The great thing about a community foundation is we can help people accomplish their charitable goals in so many ways –
 - Do you want to make your annual giving easier and have less hassle?
 - We offer pass through funds that are like your own personal charitable checking account. **(example)**
 - Do you want to give an asset other than cash?
 - Appreciated securities, real estate, family limited partnership shares, other unusual assets? **(example)**
 - Want a permanent legacy that carries out your individual charitable goals for generations?
 - We offer endowed funds that are created to continue your annual giving long after your lifetime for the causes you care about. **(example, bring your children on board)**
 - Do you need an income tax deduction this year?
 - Would you like to learn more about how you could make a gift now that would pay you back an income for life and help save on taxes, and create a permanent legacy after your lifetime?
 - **(Give example of a donor who did this)**

- What **(donors name)** did was something that would be absolutely transformational in our community if everyone did it –
 - **he/she/they** left a portion of **his/her/their** estate to **(Community Foundation name)** in an endowment fund to benefit **his/her/their** favorite charities.

- **he/she/they** was ahead of **his/her/their** time – in 2001, 2 researchers at Boston College came up with a concept they called the Transfer of Wealth.
 - This is the World War II generation who passed their wealth to their Baby Boomer children, who are now passing their wealth to their children. Happening now and continuing for the next 40 years.

- They took the net worth of all Americans and calculated how much would be transferred over the next 10 to 50 years – a staggering number,
 - nearly \$136 trillion (with a “t”)!

- That number has now been broken down by state and in Indiana, by county.
- So we can look at our service area of ***(insert county(s) name)*** and determine with a fair degree of accuracy the amount of wealth that will transfer between generations in the next 10 to 50 years.

[We play our Transfer of Wealth video here which replaces the next 3 bullet points, if you don't have a tool like that to use, give them the statistics verbally]

- In the next 10 years, if everyone left JUST 5% of their estate to ***(Community Foundation Name)*** in endowment funds, that would mean ***(insert county specific amount)*** in contributions.
- Based on our spending policy, that would generate an additional ***(insert county specific amount)*** per year.
- Last year we gave away, from all of our funds, including our UR assets, right at ***(amount)***.
- In 10 years, if everyone would give just 5% to ***(Community Foundation Name)*** in endowment, we could change that into ***(amount)*** in additional grants.
 - Every single year.
 - That is transformative philanthropy in our community.
- What would you want to see happen in our community if we had another ***(insert county specific amount)*** a year to give away?
- Our board responded to that question and said: ***(use your examples)***
 - Help our community's most vulnerable – the elderly, disabled, and children
 - Provide more scholarships for more students
 - Create and improve our parks, greenways, and public areas
 - Stop hunger in our communities
 - Create safer neighborhoods and schools
- What would you like to see? ***(open for suggestions from audience – have a board member or two ready with a response to start the discussion)***
- This is all tremendous. And the best part is, it's possible. I invite you to call me if you'd like to learn more.
- Thank you.