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The Community Foundation of the Northern Shenandoah Valley

203 Salem Church Road
Stephens City, VA 22655

(540) 869-6776
www.cfnsv.org

GATHERGROWGIVE

Ten reasons why donors find it fulfilling to give to the Community Foundation of the Northern Shenandoah Valley:

1. We build endowment funds that grow and benefit our community, forever.
2. We help create an individual or family legacy.
3. We offer donor involvement in selecting charities.
4. We are a local organization meeting a broad range of changing local needs.
5. We provide a simple way to fulfill multiple charitable interest, with low-cost administration.
6. We deliver personalized donor service; we're flexible and responsive.
7. We accept a wide variety of assets.
8. We offer maximum tax advantages.
9. We preserve donor intent even when community needs and organizations change.
10. We provide prudent stewardship and investment practices.

Serving the countryside and citizens of Virginia's Clark and Frederick Counties • www.cfnsv.org



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of the Northern Shenandoah Valley
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Building your Community Foundation Get in at the Ground Floor

by Bruce Downing, President

It was approximately four years ago when Harry Smith, Al Smith, Mike Harris, Jim Davis, Glenn Burdick, Byron Brill, Michael Halseth, Bill Huehn, and I met to discuss the feasibility of beginning a Community Foundation to serve our community. We knew we wanted to be part of the incredible movement across America and join the ranks of more than 600 community foundations—all dedicated to building local endowment and charitable philanthropy in their own backyard.

The Community Foundation of the Northern Shenandoah Valley received nonprofit designation in fall 2001. Our vision: to perpetually improve the quality of life where we live and work. **Gather, Grow, and Give**, our tag line, is the essence of our mission. Quite simply, our goal is to build or **Gather** a permanent endowment for our community. Gifts of any amount build our local strength. Rather than spend your gift, we invest it, and **Grow** its worth. Then, each year, earnings from investment are used to **Give** grants and scholarships to the charities and needy members of our community.

With this debut edition of our newsletter, we celebrate the next phase in our growth and development. Our Board continues to grow to represent the community

at-large. We've added part-time staff to support our emerging programs with a local office provided in Stephens City, *pro bono*, by Dr. Byron Brill and a computer donated by First Bank, Strasburg. Our work this upcoming year will be bolstered by Rotary Club. And, most importantly, we've accepted gifts to establish four funds within the Community Foundation, each representing the vision of the donors who established them. Their vision has made possible recent grants to C-CAP, Handley Library, and the Free Medical Clinic, and to support local education.

We expect to be here forever—that's the power of building local endowment. And, like our sister community foundations across the nation, we share the three key characteristics that make a community foundation such a critical asset:

Broad and flexible grantmaking—our mission is designed to support our donor's vision to aid education, arts and culture, conservation, historic preservation, human services, health, recreation, and economic development.

Personalized giving—we encourage our donors to stay involved with grant making recommendations from the funds they create.

Building endowment together—everyone can be a philanthropist with the Community Foundation of the Northern Shenandoah Valley. Every gift counts today and for the future. And, a fund can be established for as little as \$5,000—with up to five years to build to that level.

We are here to promote the Northern Shenandoah Valley, gather our resources, grow what we have, and give back to our community. We hope you will join us while we're at the ground floor. Your gifts will not only make a difference as we work together to build this local, community resource; your generosity makes a difference for generations to come.

The Community Foundation of the Northern Shenandoah Valley thanks its community partners, the Winchester Rotary Club and the Rotary Club of Clarke County.

Legacy Society—Think Planned Giving—A Four Step Plan To Give To Your Community

As a friend once said, "even if you don't have a will, the government will make one for you." In other words, you can shape and determine how your life estate will be distributed through a will, or you can die and give as much as possible to Uncle Sam.

Most of us prefer the former. And, for many of us, it is life events that turn us toward an estate review: Births, deaths, change in residence, etc., are powerful reasons to reconsider or begin planning.

If you find that it is time to look at your long-range estate and financial plans, remember that there are many ways to design your philanthropy. Here are a few suggestions.

FIRST . . .
Begin by talking with the experts. You should consult your financial planner or accountant, as well as an attorney familiar with estate planning. Oftentimes, it is helpful to have all members of your "team" at the same table to help you get the best advise and to help you plan out your charitable vision.

SECOND . . .
Once you map out a charitable plan, contact the Community Foundation of the Northern Shenandoah Valley. We'd like to acknowledge your far-thinking giving, with your permission,

within our Legacy Society, but we'd also like to help in the creation of the next step in your giving with a "shell agreement." A "shell agreement" uses the Community Foundation's fund agreement templates—without obligation or required immediate gift—to clearly define the purpose and use of the bequest once received by the Community Foundation. The "shell agreement" is kept on file until your death. This system maintains confidentiality and anonymity while also ensuring that your wishes will be clearly and consistently executed by the Community Foundation of the Northern Shenandoah Valley.

THIRD . . .
Identify the bequest "tool:" A *specific* bequest provides for the transfer of specific property or asset amount. Or, it can be assigned through a specific percentage of the value of the overall estate.
A *residuary* bequest provides for the assignment of assets remaining in the estate after other expenses and bequests have been satisfied.
A *remainder* bequest allows for some portion of the estate to be set aside, before bequests are satisfied, to provide income to a surviving spouse or other heir for a period of years or for the lifetime of the beneficiary.

A *contingency* bequest provides for the charitable bequest only if other beneficiaries, such as a spouse, do not survive you.

FORTH . . .
Live long and prosper! And, rest assured that your bequest will leave a legacy that will become a permanent asset to our community and your favorite charities and causes, forever. For those interested in including the Community Foundation in their will, our legal name is The Community Foundation of the Northern Shenandoah Valley, Tax ID# 26-0008332.

The Community Foundation of the Northern Shenandoah Valley celebrates those who have remembered the community foundation in their will or planned gift through its LEGACY SOCIETY.

"Members of the community who plan ahead and include the Community Foundation are making a gift of trust," said Byron Brill, chair of the Community Foundation's development and public relations committee. "The Legacy Society is an important way to thank a philanthropist now!"

NOTE: This article was printed with permission of the Eastern West Virginia Community Foundation.



GIVE

A Donor Advised Fund VS. a Private Foundation

	ESTABLISH ADVISED FUND WITHIN THE COMMUNITY FOUNDATION	CREATE A NEW PRIVATE OR CORPORATE FOUNDATION
Organization	Established	Not established
Tax Exempt	501 (c) (3)	Not established
Funds Required	Build up to \$5,000	Experts recommend \$1 million
Donor's Role in Selecting Grants	Donor, family, his/her committee recommends grants	Donor specifies grants
Tax Deductibility	Maximum	Limited
Cash Gifts	Deduct 50% AGI	Deduct 30% AGI
Long Term Appreciated Securities	Deduct 30% AGI	Deduct 20% AGI
Federal Approvals/Restrictions	No payout requirement. No federal excise taxes.	Requires 5% payout annually. 1% or 2% excise tax. Greater incidence of field audits. Must prepare tax return.
Language for making gifts and Creation of Funds	In Place	Must Create
Office/Staff/Accounting	In Place	May need to obtain
Officer Liability	Covered	May need to obtain
Investment of Assets	Oversight Committee	Need to obtain
Overhead costs	Up to 1%—covers everything	Substantial costs

To learn more about how the Community Foundation can work for you and your charitable vision, call the **Community Foundation of the Northern Shenandoah Valley** today.