

PARTNERING WITH THE CLEVELAND FOUNDATION

We Guide, You Decide How to Give

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In this issue of Crain's Giving Guide, we at the Cleveland Foundation are pleased to offer our own guide to giving through community philanthropy. As the world's first community foundation, we have 100 years of experience partnering with generations of donors to help them turn their passions into purposeful giving.



Stretching from our founding in 1914 to the present day, a continuous line of donors has shaped a legacy of generous support that endures for all time. We have the pleasure of working directly with our donors. When we meet with potential and first-time donors, they often have questions about the Cleveland Foundation and their own role as philanthropists. Here are a few commonly asked questions:

Why partner with the Cleveland Foundation?

We are an organization comprising more than 1,400 separate funds. We meet with people every day to learn more about their charitable goals, and we work together to create a customized giving experience. Our team, composed of attorneys, accountants, development professionals and community experts, is experienced at advising everyone from individuals to multigenerational families. We share our deep knowledge of the issues and needs of the community and help you create a lasting legacy.

We will work with you and your professional adviser(s) to create a highly effective approach that meets both your charitable and financial interests during your lifetime and beyond.

What is a donor-advised fund and why should I establish one?

With a donor-advised fund at the Cleveland Foundation, giving becomes easy and effective, which is why it is our most popular type of fund. You can organize all of your charitable giving activities through one expertly managed, cost-effective vehicle.

When you make your contribution, you get an immediate tax deduction, but you can take your time to decide which

organizations and causes you care about most. Our donor-advised fund holders direct their own grantmaking, and our team provides personalized service to help you as much or as little as you need.

Although the foundation's focus is nonprofit organizations in Cuyahoga, Lake and Geauga counties, our donors are free to recommend grants locally, regionally and nationally to any organization in the U.S. that is tax exempt under section 501 (c)(3) of the Internal Revenue Code. You get to choose the causes and nonprofit organizations you want to support. The choice remains exclusively yours, and we will always honor your intent.

You may also involve your family in philanthropy by designating members as advisers to your fund, thus taking an opportunity to demonstrate the importance of charitable giving and to perpetuate your legacy of giving.

We take great care in the investment and financial stewardship of your fund. You will receive a quarterly statement that includes balances, contributions, investment returns and distributions.

What if I want a fund with more structure?

As an alternative to a private foundation, a supporting organization is a separate nonprofit entity operating in conjunction with the Cleveland Foundation. It has its own board and determines its own investment strategy and grant priorities. This structure provides an opportunity to involve multiple generations of family and friends in charitable giving.

The Cleveland Foundation handles all the activities and paperwork needed to obtain tax-exempt status for new supporting organizations. In addition, we take care of all bookkeeping, record keeping and compliance issues, freeing you to focus on your charitable objectives.

This approach may be ideal for people looking to formalize a philanthropic legacy while enjoying the ease and other benefits of our personalized service. We can help you shape your giving strategies, build consensus among families and develop solutions to magnify the impact of your giving.

What can I give?

Whether you prefer to make a planned gift or an immediate impact, a broad, flexible array of charitable giving options exists. Our team is skilled at helping you pair the appropriate charitable vehicle with your intent.

THE GROWTH OF A FUND



TOTAL FUND DISTRIBUTIONS OVER FIFTY YEARS: **\$600,000**



1

10

20

30

40

50

\$100,000 BEQUEST IN YEAR ONE

BEQUEST VALUE IN YEAR FIFTY: **\$450,000***

We accept a variety of assets to establish or add to a fund, including cash, securities (pre-IPO, publicly traded and closely held), IRA/retirement fund assets, life insurance and other unique assets. We can facilitate even the most complex forms of giving.

If I partner with the Cleveland Foundation, how much can my gift grow over time?

You might be surprised. We often hear our donors talk about how they began their fund with one amount, then gave away sizable grants, and still have as much or more in their fund than when they started it. So, how can that happen?

Here is one example: Assuming an 8 percent growth rate and a 5 percent spending policy, over 50 years, a \$100,000 bequest could grow to \$450,000 while distributing \$600,000 to charities along the way. Although results cannot be guaranteed, your gift will be invested as part of a large pool of assets, with the potential for significant growth and income generation. Your initial investment could have a significant impact over time.

I have a long-term relationship with a professional adviser. Can I continue to work with this person?

Absolutely. Your professional adviser can continue to serve as your primary contact and as a liaison with us. We routinely collaborate with advisers in pursuit of a common goal: satisfied clients/donors.

How easy is it to work with the Cleveland Foundation team?

Very! We are well versed in making philanthropy simple, efficient and fulfilling. Our staff brings invaluable expertise not only to help you make key financial decisions, but to augment your understanding of community issues and needs. We pride ourselves on personal service because we know that our donors are our strongest asset.

Who typically sets up a fund at the Cleveland Foundation?

Some of our donors are wealthy and some have only modest means, but they all have a desire to give back. Funds range from \$10,000 into the multimillion dollars. We welcome the opportunity to serve donors at all income levels, and we treat each one as the unique individual he or she is. We can maintain your anonymity, if you so desire. We can never overstate our appreciation for those who choose to partner with the Cleveland Foundation.

If you would like to learn more about giving through the Cleveland Foundation, please visit www.ClevelandFoundation.org/Donors or call 877-554-5054.

Established in 1914 as the world's first community foundation, the Cleveland Foundation celebrates a century of turning passion into purpose this year. The foundation is Ohio's largest grantmaker and one of the largest community foundations in the country, with assets of \$2.1 billion and 2013 grants of \$89 million.

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