



What is a Community Foundation?

The Broomfield Community Foundation is one of approximately 650 community foundations across the country and around the world. Community foundations are set up by people, corporations and families who want to give back to a specific community and use a high-service and flexible organization to help them maximize their philanthropic impact.

It is a tax-exempt charity that allows people to establish both permanent endowment funds or more active gift funds within the confines of one large foundation, and offers an inexpensive, value-added way to establish a named fund. The income from these separate funds - and the principal if the donor desires - is available to respond to emerging problems and opportunities in the community.

The Broomfield Community Foundation also offers donors a way to invest in the current and future needs in Broomfield County through the Foundation's Partners in Philanthropy Fund the fund that provides grants for the Foundation's three competitive cycles each year.

What does a Community Foundation do?

The Broomfield Community Foundation was established in 1993 to improve the quality of life in Broomfield County, now and forever, and to build a culture of giving. Our primary work is to make grants to non-profit groups that help people in Broomfield in the areas of civic projects, human services, arts & humanities, seniors and education. We've granted over \$800,000 to qualified nonprofit organizations since we made our first grants in 1994. In addition, we serve our donors, helping to work with them and their families to ensure that their charitable dollars have maximum impact. Finally, the Broomfield Community Foundation provides philanthropic leadership in the community.

What "community" does it cover? Who do you serve?

The Broomfield Community Foundation serves those that live in the City & County of Broomfield.

Where do you get the money you donate?

Donors to community foundations range from people of relatively modest means to those with substantial financial resources. By establishing a fund or donating to an existing fund within a community foundation, donors can contribute their gifts of cash, securities and real estate toward a permanently named endowment or an advised gift fund, in which the principal of the fund is available for grants. Many donors are interested in planned giving and have The Community Foundation in their charitable remainder trusts, charitable lead trusts or estate plans.

How can you help my clients?

If you have clients who would like to go about their philanthropy with the same kind of strategy and impact they apply to their business worlds, the Broomfield Community Foundation can help. We provide a high level of service and expertise on community needs and how to make meaningful and high impact grants.

We can also help clients going through a variety of life events with tax consequences, including the need for a year-end tax deduction, a business or residential sale, or the transfer of other assets. We can help clients who are worried about the impact of wealth on their kids. We can help clients who have no interest in the administrative hassle of setting up and running their own foundations, but would like to be making an impact with their charitable dollars.

When is The Community Foundation the right choice for my clients?

Broomfield Community Foundation donors are people with a strong sense of community and personal commitment to making meaningful contributions to the communities in which they live. The Community Foundation, which offers considerable expertise and familiarity with the community, can help them find the best way to commit their funds. Some donors enlist our help to involve their families in philanthropy. Other donors appreciate the speed, flexibility, and ease of using The Broomfield Community Foundation. Because the legal apparatus is already in place, existing forms are available so that a fund can be established, including obtaining all applicable tax advantages, in a very short time.

What do you fund?

Since our inception in 1993, The Broomfield Community Foundation has granted over \$800,000 to nonprofit organizations working in the areas of civic projects, human services, arts & humanities, seniors and education. Please see the attached listing of those that have received grants. When a donor establishes a donor advised fund, he or she may recommend where grants from those funds are directed.

What are the financial benefits and tax advantages of making gifts through The Community Foundation?

The Community Foundation's approach to planned giving offers a number of important financial benefits to donors. Because community foundations manage a large number of unrestricted and discretionary funds, administrative costs and service fees for any one fund are minimized - meaning less overhead cost to the donor's fund. Another important advantage is that the federal tax code provides significant incentives for contributions to a community foundation as a public charity.

The Community Foundation has a number of different types of funds to accommodate donors who prefer the long-term strategy of endowments, as well as those who want to give more actively each year. Donors can choose to establish one of these funds, which allow donors to recommend grants, or can choose to contribute to an existing fund that is flexible in response to emerging needs in the community.

What about my clients who are thinking about giving smaller amounts – why should they give through The Broomfield Community Foundation?

Community foundations offer a variety of options for making donations. By combining your resources with those of others who share your interests, you can maximize the impact of modest contributions with minimal administrative costs.

How long does it take to set up a fund?

The Foundation works with each donor to set up the fund of choice. Template agreements are

available to use as a starting point for each type of fund. Generally, funds can be established within a couple of days. Gifts also may be contributed to an existing event, or a general or specific purpose fund.

What about non-cash gifts?

Some people prefer the simplicity of cash. There are, however, many other ways to give, including securities (including closely held and restricted stock, as well as publicly traded securities) and real estate. The Board of Directors does reserve the right to final acceptance of gifts.

Gifts to the Broomfield Community Foundation may be made in the form of life income agreements such as a charitable remainder trust. A charitable lead trust can provide gift transfer tax advantages to your client while making possible a stream of gifts to the foundation over time.

Explain how you are different from a private family foundation.

Often, people establish a private family foundation because they don't know that in many cases, working through a community foundation offers a faster and easier alternative. In addition to the tax benefits listed below, setting up a fund through The Broomfield Community Foundation has an extremely short turn-around time. Additionally, the staff of the foundation becomes available to help with grants (including facilitating work with families), screen applications and take care of auditing and financial reporting requirements. Many community foundation donors are also pleased by the fact that community foundations have none of the annual payout requirements of a family foundation, so donors may leave their funds dormant when they lack the time to focus on it in any given year.

What services do donors receive and is there a fee for this?

The Foundation provides all IRS reporting, accounting and accountability. The Grant Committee and staff of the Broomfield Community Foundation do extensive grant review and site visit work, and their recommendations and evaluations are always available to donors. The Foundation assures that all grant recipients meet the tests to assure tax-deductible status. The Foundation follows up with grantees, providing donors with a progress report a year after a grant was made. When appropriate, The Broomfield Community Foundation can help donors solicit proposals to fund certain categories of interest to the donor. Donors are kept apprised of special community needs on a regular basis. We can also help donors publicize their funds or, conversely, act as a community liaison to provide anonymity for donors.

The donor is charged an annual fee of 1.75 percent.

Can people give anonymously?

Yes.

How are the Foundation funds invested and managed?

Every 3-5 years the Foundation does an extensive and competitive proposal process to employ investment professional services. Short-term funds are invested locally for maximum returns and minimum fluctuation potential. Longer-term funds are invested to emphasize growth and outpace inflation. A full copy of the foundation's Investment Policy Statement is available. The

Finance/Investment committee oversees all investments with ultimate fiduciary responsibility held by the Board of Directors.

Donors making a significant gift of \$250,000 can recommend a money manager of their choosing. That manager will need to use the Broomfield Community Foundation's investment guidelines in managing the fund.

Who governs The Community Foundation?

A governing Board of Directors comprised of individuals who are representative of Broomfield County.

How is The Community Foundation different from the United Way?

Both are important resources to the community and each complements the other. Some have described the differences by suggesting the United Way is more like the community's check book, raising and distributing money annually, while a community foundation is more like a savings account, making grants from long-term funds in perpetuity. An additional difference is The Community Foundation's scope of funding is broader than the United Way's focus on health and human services.

How do I contact you?

The Foundation's phone is 303-469-7208 and email is info@broomfieldfoundation.org The web site is www.broomfieldfoundation.org