

F O U N D A T I O N F O R  
**COMMUNITY PARTNERSHIPS**  
creating legacies of caring

• **Fund advisor Support Packet**  
**Edition: December 22, 2008**



The National Standards Seal confirms that we have met the most rigorous standards in philanthropy.

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[www.creatinglegacies.org](http://www.creatinglegacies.org)

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## welcome

Congratulations, you have just opened a fund with the Foundation for Community Partnerships, Inc. and are on your way to creating a legacy. The Foundation Board and staff would like to thank you for your efforts to better our community.

By now you know that community Foundations are tax-exempt public charities that enable people like you and organizations like yours to establish charitable funds. Your fund will be commingled with our other funds and managed professionally. Its assets will grow over time. You, your family and colleagues are encouraged to continue giving to the fund to help it grow even more. Grants will be awarded from your fund to support charitable causes, in accordance with your interests.

The Foundation for Community Partnerships, Inc. was developed explicitly to be responsive to both the needs of the communities and the people who want to do good in those communities. The Board thought hard to design an organization that will make your desire to give back easier, more effective, and with greater impact. The Foundation for Community Partnerships is overseen by a volunteer Board of leading citizens and run by professionals who have expertise in knowing our community's needs.

The *Fund advisor Support Packet* was prepared to provide fund designees and donor advisors like you with an easily accessible resource that will help you make the best use of the fund you have established. The Foundation is meant to be a resource to help you achieve your goals. In doing so the Board is responsible to ensure that the funds and other resources made available through the Foundation are used for charitable purposes and within the law. Policies and procedures have been established to help the Board and staff ensure that is indeed occurring.

Please read through this packet as it should answer many of your questions about how to get what you need from your fund and from the Foundation. You may also contact the Foundation staff at any time with questions:

Foundation for Community Partnerships, Inc.  
320 Pennsylvania Ave.  
Centreville, Md 21617  
(410)758-6677  
[www.creatinglegacies.org](http://www.creatinglegacies.org)  
Michael R. Clark, Executive Director: [mike@creatinglegacies.org](mailto:mike@creatinglegacies.org)  
Linda Kohler, Chief Financial Officer: [linda@creatinglegacies.org](mailto:linda@creatinglegacies.org)

Most importantly thank you for your hard work, enthusiasm and inspiration.

## fund advisor or designee

Although there are some differences between the terms “fund advisor” and “fund designee” mostly they are the same. Before the Foundation will accept a fund there must be an assigned fund advisor. The fund advisor is the key contact between the charitable group and the Foundation for Community Partnerships, Inc. and is the only person for whom the Foundation will accept a request to make a grant award or to cut a check for a charitable purpose. Each fund may have up to four fund advisors and the fund advisor may be declared either by name or by position in the organization. For example some funds allow the President and Secretary to be the fund advisors for as long as they hold those positions. Fund advisors must sign every request in order for a grant to be considered. If you would like to add or change the fund advisors you may access the form on the Foundation’s website: [www.creatinglegacies.org](http://www.creatinglegacies.org), click on “Fund Support” and download and complete the application and deliver it to the Foundation.

## making grants

To ensure that the resources donated to the Foundation are utilized appropriately we adhere to a very strict due diligence policy. This is reflected through our financial policies and procedures in making grants from funds.

There are several steps that must be taken in order to make a grant and thus cut a check. First the fund advisor must complete a grant request form explaining the purpose of the request, sign it and mail or deliver it in person to Foundation staff with any backup such as receipts. If the receipts are not available it should be stated on the form when those receipts will be made available to the Foundation.



Our organization takes their responsibility very seriously in making grants. We strive to respond to recommendations from fund advisors quickly as it is important that we stay in compliance with Foundation grant making policies. Every effort will be made to review grant requests received by Tuesday of a given week by the following Monday. However, the granting schedule is ultimately up to the Board.

## funds with separate accounts

With preapproval by the Foundation, a petty cash account may be established for the fund. All procedures for making grants will apply to this fund and receipts will need to be submitted to the Foundation before a request to replenish the funds will be considered.

## **making cash (and check) contributions to the fund**

Contributions to the fund may be made at any time during regular business hours and at different times based on a prior arrangement with Foundation staff. Anyone may contribute to any fund by cash, check, money order or by credit card via the online donation option at the Foundation's website. As long as no gifts were received or services were provided in return, the contribution is typically tax deductible (though each contributor should check with their accountant).

### **To whom do I address the check?**

Fund advisors and others associated with fundraising efforts should direct potential donors to make checks payable to the: Foundation for Community Partnerships, Inc. and place the name of the fund to which the contribution should be credited on the memo line.

### **Receipts**

When a gift of any type is made to a fund through the Foundation the person who delivers it to Foundation staff will receive a receipt indicating that the Foundation has received the donation. For example, the Foundation often is in the situation where a fund has received numerous checks and the Fund advisor or another representative delivers the stack of checks to the Foundation. The person delivering the checks shall receive a receipt from the Foundation indicating the amount delivered, the date, and the fund receiving the donation.

Both checks and cash should be transferred to the Foundation as quickly as possible (within two weeks of their receipt). Submitted with the cash and checks should be a list of the name and addresses of all contributors, the date of the contribution and the amount they have given.

### **Letter Acknowledging Charitable Contributions**

Tax deductible donations to the Foundation for Community Partnerships, Inc. will be acknowledged by letter. The letters will be mailed within one month of receipt of the gift or no later than the end of the second week in January for prior tax year donations.

Gift acknowledgement letters recognize the contributor and amount of the contribution along with the fund to which they contributed. If the fund advisor did not submit a list of names and addresses with the donation, the letter will be addressed to the top name on the check and mailed to the address on the check. The purpose of the letter is to serve as documentation for a tax deduction and less as a "touchy-feely" letter of thanks (see Appendix #1).

In the case where representatives of a particular fund hold a fundraiser in which part of the donation benefits the donor in some way (like the cost of a meal, cost of playing golf in a tournament, etc.), only the part of the contribution that is not covering the

expense is charitable. Fund advisors should notify the Foundation when this type of situation occurs in order to ensure that correct acknowledgement occurs.

In order for a donor to any fund to receive recognition from the Foundation for Community Partnerships, Inc. for their gift, the gift must be directed through the Foundation. Particularly gifts of cash should be made directly to the fund to which all donations are accounted for in the Foundation's books. Unless there has been a prior agreement the Foundation for Community Partnerships, Inc. will not recognize a cash (or cash equivalent) donation that does not ultimately arrive in Foundation bank accounts. Nonmonetary gifts require prior approval of the Foundation Board and should be discussed with Foundation staff before they occur.

### **Returned Checks**

If a contribution made to a Foundation fund is returned for non sufficient funds it our policy to first ask our financial institution to run the check through the system a second time in order to see if the funds may be available. If the funds become available to cover the donation and there are no additional bank fees, no further action is taken. If after the second run there still are non sufficient funds to cover the check then the amount of the check will be deducted from the fund for which it was originally credited. As the advisor to the fund you will be notified of the issue and will make the determination as to whether to proceed further in getting payment and fee reimbursement on your own. Any bank fees incurred for this process will be transferred to the fund to whom the check was intended. The person making the contribution by who wrote the check that did not clear shall not receive any tax benefit.

## **foundation office hours**

The Foundation and the Community Partnerships for Children share office space. The office is open from 8 a.m. and 4:30 p.m. on most business days. The Foundation is closed on holidays. You may refer to the Foundation's web site: [www.creatinglegacies.org](http://www.creatinglegacies.org) for specific holiday and office closings. For any service other than receiving a receipt for donations please schedule an appointment with Foundation staff in advance.

## **fundraising**

In establishing a fund there may be times when you would like to organize a fundraiser. The Foundation for Community Partnerships most often receives the net income from a fundraiser and does not acknowledge individual contributors. However, there may be times when individual contributors to a fundraiser want to receive a charitable deduction. When conducting fundraising activities and solicitations on behalf of funds at the Foundation, you must keep in mind that for tax purposes such fundraising is being done on behalf of the Foundation for Community Partnerships, Inc. It is important that these activities be conducted under the observation and fiscal guidance of the Foundation to ensure that donors to the fund are entitled to the appropriate tax

deductions and to protect the fundraising groups from unintended tax consequences. The Foundation for Community Partnerships, Inc. may be exposed to penalties for failing to make proper solicitation disclosures if it is not made aware of fundraising activities being carried out under its auspices.

The Foundation for Community Partnerships requests that before undertaking public fundraising events, the fundraising group will define in advance to the Foundation each program, event or other effort to raise money for the fund. Refer to Appendix#2 for a copy of the Fundraising Event Request Form. The fundraising group or donor advisor should submit a written proposal and obtain advance approval from the Foundation before proceeding according to the Foundation's guidelines. All uses of the Foundation name in advertising and promotion must be approved in advance by the Foundation. All fundraising materials should make it clear, where applicable, that funds are being raised on behalf of rather than by the Foundation for Community Partnerships, Inc. Administrative fees may be charged if extra administrative services are expended by the Foundation.

## grant application sponsorship



It is a major goal of the Foundation to help others bring resources to the community. Especially resources that reflect the needs of the community and will have a great impact. The Foundation makes it possible for many groups and organizations that weren't eligible to apply for grants through certain organizations to do so. Therefore the Foundation is available to receive grants through a fund. However, groups must first receive approval from Foundation representatives. Any grant applied for under the auspices of the Foundation for Community Partnerships, Inc. should be reviewed by the staff of the Foundation for

Community Partnerships, Inc. before it is submitted to the funder.

Given a sufficient amount of time and information the Foundation is often happy to support programs in the community with letters of support that can be added to a grant application. If you would like a letter, contact the Foundation in order to make the request.

Once it is learned that a grant has been awarded it is essential that the contact person on the grant notify the Foundation and make arrangements to work with Foundation staff in order to ensure that all grant requirements are met. No person or organization

other than a Board member or staff is allowed to accept a grant on behalf of the Foundation.

## accepting nonmonetary gifts

The Foundation wants to do what they can to help increase our funds. Therefore, the Foundation is available to accept nonmonetary gifts through a fund in accordance with their Gift Acceptance Policy. Every gift of a non-marketable asset (tangible personal property, real estate, life insurance, nonpublicly traded securities, oil and gas, and all other gifts) shall be reviewed and approved by the Board of Directors prior to acceptance. We will work with each donor or donor advisor to accept any reasonable gift. The following types of gifts are generally acceptable, subject to review of the Foundation:

Cash and Cash Equivalents	Bequests
Securities	Tangible personal property
Real estate	Bargain sales
Life insurance	Intellectual property
Charitable remainder trusts	Beneficial ownership in various legal entities
Charitable lead trusts	Gas, Oil, and/or Mineral rights
Retirement plan beneficiary designations	

All monetary gifts such as cash, cash equivalents, and publicly traded securities can be accepted with no extra steps. If you would like to place another type of gift into the fund contact a staff person in order to discuss the steps that will need to be taken.

## reports to fund advisor

The Foundation sends fund statements to the fund advisor on a quarterly basis. The statements give the balance of the fund, total of amount deposited during the quarter, total amount of grants made, fees and interest earned.

## web site

The Foundation for Community Partnerships, Inc. has a website: [www.creatinglegacies.org](http://www.creatinglegacies.org). It was designed for two purposes: marketing the works of the Foundation and supporting those who have funds with the Foundation. Every fund in the Foundation is listed on the Foundation's website along with a brief description of the Foundation's purpose (unless it is requested by the donor advisor that it not be listed).

## online donations

Donors are invited to make contributions to the Foundation through the website for general operational support or to support a particular fund. Anyone interested in making an online contribution may go to the website and click on "make a donation" and then follow the directions.

In some cases it may be desirable that a fund have a separate website that is not specifically connected to the Foundation. Any fund that has a separate website should ensure that the Foundation is aware of it.

**web site – fund advisor support**

Most forms needed including those listed in this packet, Foundation policies, and other information are located on the Foundations website for the convenience of the fund advisor.

# appendices

## Appendix #1 – Sample Gift Acceptance Letter

-ON FOUNDATION LETTERHEAD-

DATE

RE: Name of Designated Fund

FUNDS LOGO IS  
PLACED HERE IF  
APPLICABLE AND  
DESIRED BY THE FUND  
ADVISOR.

Name  
Organization  
Address  
Address

Dear NAME:

On behalf of the Board of the Foundation for Community Partnerships, Inc., I am pleased to officially acknowledge your gift of \$ in support of the NAME OF DESIGNATED FUND. We are grateful to have your gift and verify that no goods or services were received in return for your generous contribution.

We are a public charity that serves anyone who shares a common concern of improving the quality of life in this region. Your gift enables us to support those individuals and organizations and fuel their passion. We appreciate your participation in our efforts.

So that you may gain the full tax benefit from you contribution we need to inform you that the Foundation for Community Partnerships, Inc. has exclusive legal control over the contributed assets. SPECIFIC LINE THAT ALLUDES TO WHAT THE PARTICULAR FUNDS PURPOSE IS AND HOW THERE CONTRIBUTION WILL HELP.

Sincerely,

Director

\*\*\*\*\*VOID\*\*\*\*\*  
**TO BE USED ONLY BY THE  
STAFF OF THE  
FOUNDATION FOR  
COMMUNITY  
PARTNERSHIPS, INC.**

Non Profit Tax ID #30-0254793

**Appendix #2 - Fundraising Event Request Form**

Nonprofit Tax ID#: 30-0254793

**Purpose of Fundraising effort:**

**Description of the event:**

**Date of the event:** \_\_\_\_\_

**Location of the event:**

**Group or individuals who will conduct the fundraising event, including at least two who will authorize expenditures:**

**Contact Person:** \_\_\_\_\_

**Address:** \_\_\_\_\_

**City:** \_\_\_\_\_

**State:** \_\_\_\_\_ **Zip code:** \_\_\_\_\_

**Home Phone:** \_\_\_\_\_

**Work Phone:** \_\_\_\_\_

**Fax:** \_\_\_\_\_

**E-Mail:** \_\_\_\_\_

**Dignitaries to be invited (if any):**

**Amount expected to be raised:** \_\_\_\_\_

**Anticipated expenses:** \_\_\_\_\_

**Net proceeds expected:** \_\_\_\_\_

**Attach a detailed budget for the event.**

Fundraising Event Request Form - continued

**Unauthorized expenditures are the responsibility of the fundraising group.**

**Do any of the above named individuals expect to gain monetarily from conducting the event? Do any of these persons have connections to a business that will benefit from the proposed event? If so, please explain.**

**Have these organizations or this group organized previous fundraising events? If the answer is yes, please give the date, place and brief explanation.**

**Administrative duties under contract with the Community Foundation:**

Deliver this form to:  
Foundation for Community Partnerships, Inc.  
320 Pennsylvania Ave.  
Centreville, MD 21617  
Fax: (410)758-6904  
[mike@creatinglegacies.org](mailto:mike@creatinglegacies.org)

*Office Use Only*

- \_\_\_\_\_ Application and policies provided to fundraising group.
- \_\_\_\_\_ Date application received
- \_\_\_\_\_ Date Board approved

- \_\_\_\_\_ Proof of licensing\*
- \_\_\_\_\_ Proof of liability insurance covering the community Foundation
- \_\_\_\_\_ Proof of dram shop insurance (if alcohol is to be served)
- \_\_\_\_\_ Other:

The fundraising group is responsible for in-kind or service donations made to its fundraising effort whether as gifts or for use in soliciting cash donations. The fundraising group will ensure that all such donations have proper documentation, which includes, but is not limited to, contracts, licenses, permits and/or proof of insurance.