



Toledo
Community
Foundation

Inspiring and Connecting Thoughtful Giving

"Giving" Advice

Toledo Community Foundation

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About Your Foundation

Since 1973, the **Toledo Community Foundation** has provided individuals, families and businesses interested in the well-being of our community with an *efficient, effective, low-cost, professionally managed* mechanism to achieve their charitable goals.

For philanthropists wishing to maximize the impact and life of their charitable gifts, the Foundation provides *resources for thoughtful giving*. Using its expertise and personalized services, **Toledo Community Foundation** helps donors transform their philanthropic impulse to measurable community impact. Beyond the gifting of assets, the Foundation helps donors identify issues of importance to them and *inspires engagement* with community organizations addressing these issues, thereby maximizing the impact of charitable gifts and creating a greater sense of fulfillment.

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Not Their Father's Foundations

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Her grandfather, Max M. Fisher, founded the Speedway gasoline station chain and gave millions to big causes like the Detroit Symphony Orchestra and the United Jewish Appeal.

Caroline Cummings Rafferty, 29 years old, is being groomed to help run the \$235 million Max M. and Marjorie S. Fisher Foundation in Southfield, Mich. But for now, she is running a tiny \$1 million foundation and making gifts of a few thousand dollars to charitable organizations.

Ms. Cummings Rafferty reflects the struggles facing family philanthropists—one old problem and one new: How do parents foster proper stewardship of family foundations among their children? And with an economic downturn racking charitable giving, how do heirs manage to do more with less?

U.S. foundations lost nearly \$150 billion in assets in 2008, or almost as much as they had given away during the four years prior, according to the Foundation Center, which tracks information. Nearly one in five foundations cut back their funding in 2009 and expects to give less in the next few years.

Facing a brutal environment, parents have to be especially diligent in imparting skills their children need to carry on the philanthropic tradition. Some, like Ms. Cummings Rafferty's family, set up minifoundations with smaller amounts of money for their heirs to manage. Some parents direct 70% of foundation grants while the remaining

30% go to charities the kids choose. Other families are forming junior boards of directors or foundation committees, where children are put in charge of individual tasks such as developing a foundation Web site.

"The best way to pass down a philanthropic legacy or a family's value system is to give children a seat at the table," says Melanie Schnoll Begun, managing director of Morgan Stanley Smith Barney Philanthropic Services. "Take the time while you are alive to explain what motivates you, what issues are important and then involve your children in these decisions."

The economy also is forcing younger philanthropists to be creative. They find that by pooling their resources, they can start bigger programs than they could on their own. For example, nearly 200 donors in their 20s and 30s gave 1% of their annual income to charity through an organization called the One Percent Foundation, an online giving circle for young philanthropists started by 30-year-old Daniel Kaufman in 2007. Donors get a say in where the money goes.

"If every American in their 20s and 30s did this, we'd have 16 billion to give away a year, which is bigger than Bill Gates," Mr. Kaufman says.

This new crop of philanthropists say they view donations as investments that can be measured with quantifiable results, such the number of people served. The better the investment performs, the more money donors will direct to the cause.

The changed environment is evident in Ms. Cummings Rafferty, who has taken over the \$1 million LoveLight foundation her mother formed last year to teach her children about the family's philanthropic legacy.

Ms. Cummings Rafferty gave away \$50,000 last year, a fraction of the \$12 million annual grant budget at the Max M. and Marjorie S. Fisher Foundation. Unlike her grandfather, she says, she can't give away half her income. "It pushes you to stretch the dollar," she says.

For example, the foundation gave \$20,000 to New York's Fresh Air Fund to start a women's giving circle with inner-city teenagers who attend the group's summer camps.

The program teaches young women about philanthropy. They receive \$1,600 to donate to another charity of their choice. Throughout the year, the young women meet weekly to research and vet charities around New York. That way, it is a gift that keeps on giving.

"It's a chance to teach the kids that everyone can see someone in worse shape than they are," says Jenny Morgenthau, executive director at the Fresh Air Fund. "It's empowering."

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