



Inspiring and Connecting Thoughtful Giving

Toledo Community Foundation

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About Your Foundation

Since 1973, **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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The Business of Giving

Even in a challenging economy, business owners aren't shying away from charitable giving. A recent survey by the Fidelity Charitable Foundation reported that 90 percent of entrepreneurs make regular donations to charitable causes.*

The reasons behind these charitable gifts vary. Some business owners simply want to support a cause that's close to their hearts. Others see an opportunity to leverage their company's expertise to aid a charitable organization.

Whatever the reason, business owners understand that their charitable efforts can also have a considerable impact on their bottom lines. "Being known as a good corporate citizen helps cement loyalty with consumers," says Susan Hyatt, founder and CEO of Denver-based consulting firm Business Nonprofit Connections, Inc. "People want to have relationships with companies they know are doing the right thing. It's a tremendous competitive market advantage."

A Targeted Approach

Becoming a good corporate citizen requires more than being free with the company checkbook. In fact, Hyatt warns companies against taking a scattershot approach to charitable giving. Reason: A string of small donations to an assortment of organizations or causes will have a limited effect on each of them. What's more, Hyatt notes, companies will have missed an opportunity to leverage their giving to better connect with customers.

Instead, Hyatt recommends that companies carefully consider how many organizations they should support and which causes are the best fit. She recalls a book publisher that came up with a particularly effective charitable giving strategy: The firm decided to focus its giving on literacy programs—a natural fit for a publisher. But it also chose to help fund efforts to plant trees in a bid to offset the paper it used in its books. "They really focused their resources. These days, more and more companies are concentrating on a smaller range of causes to be more effective," says Hyatt. "With more than 1.2 million nonprofits in the U.S., you just can't help everybody, and you don't want to spread your resources thinly across a huge number of recipients."

Building a Plan

Once a company determines where it wants to direct its charitable resources, the next step is to develop a charitable giving strategy. The challenge for many businesses, however, is to be charitable without drawing key resources away from day-to-day operations.

One strategy is to employ a charitable fund. A business can work with an established donor organization, such as a community foundation, to set up a charitable fund and jump-start its charitable giving. The business can then route its donations through the community foundation, which handles all the administrative work, from investing the foundation's assets to cutting checks to gift recipients.

For example, the Akron Community Foundation (ACF) in Akron, Ohio, recently helped a local accounting firm set up a charitable fund. Because the fund was administered through ACF, money could be raised using ACF's nonprofit status. That allowed the accounting firm to launch an annual golf tournament that raised thousands of tax-deductible dollars for local charities. "A charitable fund allows a company to essentially create a private foundation, but we do all the work," says Suzanne Allen, ACF's

vice president of development.

Another option is to donate all or part of the company itself via a charitable remainder unitrust (CRUT). Community foundations can often accept gifts of corporate stock or shares in a privately held business. What's more, the foundation can often use such donations to create a line of income for the business owner or to fund ongoing donations. "We own that investment, but we pay a monthly, quarterly, or yearly stipend to the donor," says Allen. "And when that person passes away, the fund reverts in full to the community foundation."

Business owners considering charitable giving strategies have numerous options. A financial or business advisor can play a key role in helping entrepreneurs and owners find the right way for their businesses to pursue their charitable missions and reap the rewards of their good deeds. "Corporate giving is such a morale booster," says Allen. "It gives a company something that's very visceral. Employees really feel as though they're making a difference."

* Fidelity Charitable Gift Fund, ["Entrepreneurs Are More Likely to Give to Charity."](#) Nov. 12, 2010.

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