FREQUENTLY ASKED QUESTIONS

How can my client provide support for a favorite charity through Legacy Foundation?

Your client has two great options for supporting their favorite charity–a Donor Advised Fund or a Designated Fund. A Donor Advised Fund gives individuals, families or businesses the opportunity to participate in grantmaking by recommending nonprofits and programs to receive grants. As with a supporting organization, a Legacy Foundation Donor Advisor can take advantage of information about local needs and opportunities--and even include his/her family or business in recommending grants. It is a simple, personal and highly effective way to give. A Designated Fund provides a source of annual income for a specific nonprofit organization and can be set up to allow the organization to build the fund over time. In both instances, the Foundation handles all of the administration, record keeping, and financial statements for the funds.

How much control and freedom would my client have in recommending gift recipients, including faith based organizations such as their church or synagogue, through their Donor Advised Fund?

Your client can recommend a grant to any organization that falls within the broad philanthropic mission of Legacy Foundation and is qualified as a public charity under Section 501(c)(3) of the Internal Revenue Code which includes most faith based programs. The United States has over 650,000 IRS-approved charities. Legacy Foundation will ensure that groups recommended for a grant meet this requirement.

In complying with federal tax laws, and for the protection of your client, the Foundation must reject grant recommendations that would benefit an individual, fulfill a personal obligation, support a political campaign, or a private foundation.

What is the minimum gift required to start a fund?

For most fund types the minimum for establishing an endowed fund with the Legacy Foundation is $10,000. A donor can establish an endowed fund with $5,000 with the goal of meeting the $10,000 minimum within 3 years. Scholarship Funds require a minimum gift of $10,000 to establish a fund. A donor may establish an Acorn Scholarship Fund with $3,500 with the goal of meeting the $10,000 minimum within 3 years.

What type of assets can my client use to start a fund?

Legacy Foundation has the ability to accept a range of assets including:

- Cash, stocks and bonds
- Real estate
- Personal Property, such as jewelry and artwork
- Life insurance policies
- IRA assets

Can my client name a successor to the fund?

Yes, your client can name a successor or successors to the fund. If they do not name a successor, or after the successor's death, Legacy's Board of Directors will continue to use the funds in accordance with your client's wishes.

How do Legacy Foundation's costs compare with those of commercial gift funds and private foundations?

Legacy Foundation's fees are highly competitive with commercial gift funds, but even more importantly, the Foundation offers your clients unique value that can come from our staff's knowledge of the community and expertise in the philanthropic field.

Opening a fund at Legacy Foundation is considerably less expensive than starting a private foundation, since we handle all administrative details, including filing annual tax returns, performing due diligence on grants, and all details associated with processing and tracking grants. There are also no setup fees.

Can charitable funds established at Legacy Foundation benefit areas other than Lake County?

Our role is to help donors create funds that carry out their charitable goals, be that in Lake County or elsewhere. Legacy Foundation donors have the ability to recommend grants to organizations throughout the United States.

I would like to learn more about planned giving. Are there ideal resources from which I can benefit?

Legacy Foundation offers professional advisors access to GiftLaw, a free service for up-to-date planned giving information. GiftLaw will help you provide clients with clear and understandle gift options for their charitable goals. This comprehensive service includes a charitable tax planning reference guide, deductions calculators, and the latest Washington News. Access the site at legacyfdn.org/professionaladvisors.php

Legacy Foundation annually hosts a professional advisor seminar to update the professional community regarding charitable and planned giving. We also host other opportunities for donors and nonprofit organizations. Please contact us or visit Legacy Foundation’s website at www.legacyfdn.org for these additional resources or to discover more about nonprofits and community resources.

LEGACY FOUNDATION
Lake County's Community Foundation
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Mission Statement:

Building a culture of philanthropy across generations that will positively transform Lake County.

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