

As an estate planner, there are times you need to help your client achieve certain charitable goals.

The information enclosed is to help you understand what the Emporia Community Foundation is, what it does, and how it may be helpful to you and your clients.

The Emporia Community Foundation is a 501(a) (1) tax exempt corporation created for the purpose of improving the quality of life within Lyon County and its six contiguous counties. As such, the foundation receives gifts and makes grants for charitable purposes within this region. It also works with other charitable organizations and individuals to assist them in achieving their goals. **As always, Gifts to ECF qualify for immediate income and gift/estate tax deduction.**

We will be happy to work with you at any time in assisting you and your client in a charitable endeavor.

Bob Agler, Chair of the Board of Trustees **Ken Buchele**, President of the Board of Directors

I. Ways in which gifts to EFC may be structured

- A. **Directed gift.** A gift may be made to be made to establish a fund with the income or the corpus, or both income and corpus to be distributed to a named organization for a charitable purpose to benefit that organization anywhere in the world.
- B. **Field of Interest gift.** A gift may be made to establish a fund for a "field of interest", either broad or narrow, such as "for elementary and secondary education" or "performing arts" In this case the foundation through its governing board, with the cooperation of its grants committee directs the gifts from that fund toward the stated field of interest
- C. **Donor Advised Gift.** A Donor may make a gift to establish a fund and provide that the donor or a person designated by the donor may advise the use of the income or corpus, or both from that fund.
- D. **Unrestricted gift.** A donor may make a gift without restriction as to use, in which case the governing board may use the fund for the purposes of the ECF as it sees fit

II. Gifts to the Foundation must meet certain requirements, such as:

- A. They must be used for charitable purposes as recognized by IRS and most generally benefit the seven county area consisting of Lyon County and each of those six counties whose borders are adjacent to the borders of Lyon County, which has been defined as "The Emporia Community".
- B. To constitute a separate identified fund, the fund must be at least \$ 10,000.00, or the hope of achieving that amount within a certain time frame.
- C. The Fund must be accepted by the governing board of the Foundation.

III. Gifts may be created and funded in many ways

- A. A written document must create the fund;
 - 1. A letter from donor, requesting the creation and containing the details. This letter will actually be drafted by ECF after discussions with donor to agree upon requirements of ECF and of the Donor.

2. A will or declaration of trust, which must, as a minimum, result in a gift to ECF, in sufficient detail to accomplish the intent of Donor.

In any event, the fund cannot be created until acceptance by the Board of ECF.

- B. Any Fund, after acceptance by ECF can be funded in a number of ways, including:
 1. Check, payable to ECF, identifying the fund to be credited
 2. Conveyance of land, Securities, life insurance policies, IRAs, 401(k)s, CDs, promissory note(s), or any other intangible asset to ECF, only if agreed upon in advance
 - C. Money or other assets may be added to any previously established fund by Donor or any other person or entity, by designation, unless prohibited by the document which created the fund.
- IV. The Emporia Community Foundation will be pleased to respond to any questions or provide additional specific information upon request, directed by telephone or mail.

Professional Advisors Program:

As 2/10/2008

1. Any fund of a minimum of \$100,000 can designate an "outside" advisor, but must be approved by the Board of Directors.
2. The Advisor must adhere to our Current Investment Policy.
3. The Advisor must be able to provide to us timely monthly financials in a format determined by the board.
4. Currently, the fees **charged, by the Foundation, to** such a "professional" **fund** shall be .6% per year paid quarterly.
5. The Advisor may be fired for the following reasons:
 - a. Sub par performance in relation to other advisors over a two year period
 - b. Excessive fees as compared to other advisors
 - c. "Churning" or other unethical practices
 - d. The donor advising us that he/she wishes a change
 - e. Any practice that would affect the "image" of the foundation
 - f. The death or a disability of an advisor
 - g. The board has the discretion of terminating the agreement twenty years from inception.
6. The advisor holds the securities of the fund and has complete discretion as to their investment. The donor shall have no say over the investing of the funds.