

GIFTS

CONTINUED FROM PAGE 1

So far, the Greensboro foundation has worked with more than two dozen area charities at various stages of managing planned gifts. Not all nonprofits are in a position to begin formal programs, Farmer says, but the ones that are should learn to think beyond the year-to-year budget cycle. "For planned giving to work well, you have to look 20 years out," he says.

And, he says, nonprofits should consider beefing up their planned giving programs because they could get their largest gifts that way.

Planned or deferred giving allows donors to make a contribution to charity — in cash, stocks, retirement assets, real estate or other forms — while benefiting themselves or rela-

tives during their lifetimes. Planned gifts, usually irrevocable, can be established through bequests, charitable trusts, annuities, pooled income funds or other types of assets. Known for their flexibility, planned gifts often allow donors to save or altogether avoid capital gains, income and estate taxes.

An example: A longtime Greensboro resident wanted to find a way to give back to some of the nonprofit organizations that had made a difference in her life. While not extremely wealthy, she had some highly appreciated stock that the foundation helped her convert into a charitable remainder trust. The trust will provide income for her during her lifetime, and, after her death, for her church, two educational institutions, the foundation and 12 nonprofit organizations.

Mike Aiken, executive director of

Planned giving assistance

For information on planned giving and nonprofits, contact your local community foundation or the following:

Community Foundation of Greater Greensboro — (910) 379-9100.

Community Foundation of Western North Carolina — (704) 254-4960.

Triangle Community Foundation — (919) 549-9840 or <<http://www.triangled.org>>

Greensboro Urban Ministry, says the foundation's service has had multiple benefits for that organization.

"It helps out to have their support in explaining the complex ins and outs of planned giving," Aiken says. "Before we started working with them, we were handling it the best we could. We needed the technical expertise to help us follow through on gifts, which often take years to plan and carry out."

And, with the expected intergenerational transfer of trillions of dollars of wealth accumulated by baby boomers, Aiken says, potential donors often are interested in giving to more than one charity.

"In our history, there have been very few bequests in which we've been the only beneficiary," he says.

The foundation's service also helps raise awareness about planned giving in the community, Aiken says.

The Triad Health Project, a Greensboro AIDS service organization, is in the initial stages of working with the foundation to design a program that fits its mission.

It hasn't been a clear-cut process, says Ben McFadyen, director of the organization. "We have unique prob-

lems as an AIDS service," he says. "There's the perception, with recent advances in treatments, that the need for AIDS services is waning. Obviously, a cure or vaccine could eliminate the need for an agency, but [in the meantime] donors may be skeptical that the organization would need their money far into the future."

The organization has established gift acceptance and management policies to deal with bequests of houses, cars and insurance money, McFadyen says. A more focused planned giving program could help target donors who could establish gifts while they are still alive.

The foundation also is a good resource when an attorney or executor of a will calls the organization to ask about including the organization as a beneficiary, McFadyen says. "We know [the foundation] has wide, broad stewardship."

In their estate plans, donors often name general topics such as AIDS health or youth programs as areas they would like to support. The foundation's service can put those donors in direct contact with organizations such as the Triad Health Project or others that support their causes.

"As a community foundation, they're immediately accessible," McFadyen says.

While the Greensboro foundation's breadth of services is relatively unique, other community foundations in North Carolina have been doing planned giving for years.

"We don't advertise it as a separate service, but we do it every day," says Pat Smith, executive director of the Asheville-based Community Foundation of Western North Carolina.

In addition to managing endowments for dozens of nonprofits, the foundation also helps donors arrange gifts and works with organizations that receive them.

"We're not out soliciting business

based on these services," Smith says. "We help them receive complex gifts. We're really here for the community." Gifts of land or stock can be especially complex, she says, and should never be received without careful consideration.

It's also important to use clear language and keep discussions about planned giving with potential donors and recipients fairly simple. "Many nonprofits are intimidated by the term 'planned giving,'" Smith says. "We don't just say, 'I want to talk to you about planned giving.' What we try to do is to get someone on [the organization's staff] involved and meet with them."

Board members also play an important role in orienting an organization to planned giving, Smith says. "It takes the pressure off an executive director or fundraiser when they realize there's a way to get help. That's what we try to be."

Shannon St. John, executive director of the Triangle Community Foundation, echoes these sentiments.

"We know that beyond the universities, most of the nonprofits in this area don't have the luxury of having a planned giving officer," she says. And planned giving fits in with the foundation's mission to expand philanthropy in the communities of Wake, Durham, Orange and Chatham counties, she says.

A simple way for an organization to initiate a planned giving program, she says, would be to start internally and try to identify a handful of people associated with the organization, such as board members, who might have the ability to make a gift through their estate plans.

"Planned giving is for everyone," St. John says. "The barriers for smaller organizations tend to be time and expertise. What we're trying to do is remove those barriers."

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