

Polk County Community Foundation  
255 South Trade Street • Tryon, North Carolina 28782

The Polk County Community Foundation (PCCF) works with individuals, families, charitable organizations, businesses, and private foundations who wish to benefit our area. PCCF provides many ways to help you realize your charitable dreams. Gifts may be made today or planned for tomorrow. Funds may be endowed or non-permanent. Contributions may be large or small.

**We promise we will use your gift as you direct and we will keep that promise over time.**

**TYPES OF FUNDS**

**Unrestricted Funds** enable PCCF to give grants for a broad variety of changing community needs, to support the creation of innovative responses to community issues, and to enhance the quality of community life. By placing no restrictions on these funds, the PCCF Board of Directors is free to make informed decisions for their use. You may create and name your own unrestricted fund, or you may contribute to the general Unrestricted Fund.

**Field of Interest Funds** enable PCCF to award grants to support your areas of interest. You may want your fund to give grants to support a broad interest such as local recreational facilities and activities or a narrow interest such as local classical music performances. Our job is to award grants in support of your interests.

**Designated Funds** ensure that regular grants will be made to specific eligible organizations named by you. You may name one or several organizations, and a percentage of your fund's value will be distributed to your favorite charities in the name of your fund. If you like, you may specify how the organization should use the grant. For example, you may instruct us to tell the beneficiary organization to use the grant for "educational programs" or "landscape maintenance".

**Scholarship Funds** enable students to pursue academic goals. You set guidelines for selecting students or leave the selection to the discretion of our Education Committee and Board of Directors. Gifts of any size may be added to PCCF's general endowed and non-permanent scholarship funds.

**Agency Endowment Funds** may be established by individual donors or with agency assets. In addition to providing non-profits with a steady source of annual operating income, PCCF provides management and gift donation services and hires professional investment managers to manage the funds. When these funds are established, the donor may specify whether they are permanent endowments or flexible endowments permitting an invasion of up to 25% of the principal balance in defined circumstances.

**Donor Advised Funds** provide maximum convenience and flexibility by enabling you to suggest contributions to charitable organizations from your fund at PCCF. You receive any tax deduction the year you contribute assets to PCCF, yet you may suggest grants from your fund for years to come.

**Special Project Funds** are non-endowed funds that are used to accomplish a specific charitable goal such as building a new library.

**Administrative Funds** provide support for the ongoing operations of PCCF. This enables the Community Foundation to charge minimal fees to operate funds and thus encourage local philanthropy.

*You may make a contribution of any size to any of the existing funds managed by the Community Foundation.*

*With a gift of \$5,000 or more, you can create your own permanent endowed fund with its own name and own charitable purposes. You may create a non-permanent fund with a gift of \$2,500 or more.*

*We can modify any of the listed funds to suit you. Modification options include adding conditions to grants, involving other family members in the fund, starting a non-permanent fund now which will become an endowed fund when it receives assets at your death, and changing the fund from an anonymous to a named fund at your death. The possibilities are nearly limitless.*

*We will work with you and your advisors to design a fund around your individual tax situation and charitable goals.*

## **REASONS TO GIVE**

**Giving Back** - Many of our donors express the wish to give something back to our community. PCCF improves the quality of life in our community by supporting nonprofits, by giving scholarships to local students and by making and keeping promises to donors who seek to bestow benefits on our community. We support our local nonprofits with grants, with endowment fund management and by assisting interested philanthropists with charitable giving options.

**Favorable Tax Treatment** – PCCF is a public charitable organization and qualifies as a 501(c)(3) under the Internal Revenue Code. This means that your gifts are deductible at the highest allowable limits for federal income tax and estate tax purposes.

**Sound Financial Management** - PCCF employs a professional investment manager to invest assets entrusted to the Community Foundation. The Board of Directors and the Finance Committee ensure that the professional manager provides appropriate diversification of assets, balances the needs for safety and growth, and charges fair fees.

**Community Recognition** – You may name a fund after yourself or to honor or memorialize someone else. Grants will be made in the name of your fund and the names of endowment funds will be publicized in perpetuity. Of course, we will respect your wishes for anonymity if you prefer.

**Accountability** – Since 1975, PCCF has managed assets for donors and nonprofits and awarded grants and scholarships to benefit our community. PCCF is lead by a

Board of Directors. Our Board and committee volunteers review and award grants, oversee financial matters, and set policies. You are welcome at any time to visit our offices and meet our Executive Director and our three other staff members who provide professional, experienced grant and fund management. An independent, professional audit is performed annually. Our annual report provides financial information about our assets, funds, grants and scholarships.

## **WAYS TO GIVE**

**Cash** - This is the easiest way of sharing in the work of PCCF. Checks may be made payable to the Polk County Community Foundation.

**Securities (Stocks, Bonds, Mutual Funds)** - Gifts of appreciated securities may provide important tax advantages. PCCF has accounts with many local brokers so it can receive stock and bond transfers quickly. Also, PCCF has some low and no commission arrangements with local and national brokerage firms.

**Bequests** - There are many ways to remember the Polk County Community Foundation in your will. PCCF may be named as the residuary beneficiary of your estate, or as the recipient of a specified gift or contingent bequest. Your will or trust may establish a fund named after you to achieve your charitable goals. *We can establish a fund for you now that will be funded later by a provision in your will.*

**Pooled Income Fund** - Since 1978, our pooled income fund has combined gifts from many donors in a common investment portfolio. Pooled income funds offer immediate charitable deductions for a portion of your gift and income payable to you and your named beneficiaries over your lifetimes. After the deaths of your fund's income beneficiaries, your share of the fund's principal is paid to PCCF to benefit the charitable organizations or purposes designated by you.

**Charitable Remainder Trusts (CRT)** - If you establish a CRT, you will receive an immediate tax deduction and income payable to you or other named beneficiaries over your lifetime. Charitable remainder *unitrusts* provide payments to you which vary according to the market value of the trust assets. Charitable remainder *annuity* trusts provide fixed payments to you. After your death, the assets are distributed for the charitable purposes you specified in your trust agreement. We offer trustee services for charitable remainder trusts which means that we will administer the trust during your lifetime. You may name PCCF as the charitable beneficiary of your trust regardless of who administers the trust.

**Retirement Plan Assets** - If you have retirement plan assets in an IRA, 401(k), or similar plan, you may want to name PCCF as a secondary beneficiary or the primary beneficiary if your spouse predeceases you. You do this by changing your retirement plan Beneficiary Designation Form, not by your will. Your tax advisor can help you review the unfavorable tax treatment of these assets at the death of the owner and determine if these assets are best used to achieve your charitable goals.

**Life Insurance** - PCCF may be named as the owner and beneficiary of a previously existing or new life insurance policy.

**Private Foundations' Assets** - Private foundations may find it desirable to transfer assets to PCCF to eliminate the burdens and costs of administering a separate entity and to take advantage of the more favorable tax treatment given to public community foundations. *You may establish a significant fund within PCCF which retains the name and purposes of the transferring foundation.*

**Supporting Organization** - You may use the resources of PCCF to help you establish a separate grantmaking organization that is closely linked to the Polk County Community Foundation.

*The Polk County Community Foundation welcomes your questions about gifts and bequests and the establishment of new funds. Our donors are encouraged to consult with their attorneys, accountants and other financial, legal, and tax advisors. We have additional printed information about fund minimums, investment options and fees. Please contact our Executive Director for more information about tailoring a fund to suit your needs.*

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