

THE OREGON COMMUNITY FOUNDATION

GUIDE FOR PROFESSIONAL ADVISORS

*Working Together for More
Powerful Philanthropy*





GUIDE FOR PROFESSIONAL ADVISORS

Spetember 2018

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ABOUT THE OREGON COMMUNITY FOUNDATION

Overview of Community Foundations

A community foundation is a nonprofit organization that administers charitable funds established with gifts from individuals, families, businesses and nonprofit organizations. It makes grants and other distributions from these funds to qualified charitable organizations and governmental entities.



"The trust that professional advisors place in The Oregon Community Foundation to assist clients interested in charitable giving makes it possible for us to fulfill our mission: to improve life in Oregon and promote effective philanthropy. Thank you."

Max Williams,
President and CEO,
The Oregon Community Foundation

Community foundations are designed to accommodate the personal interests and concerns of each donor. Through a gift or bequest, the donor establishes a fund within the foundation's endowment. Depending on the donor's goals, grant distributions from the fund may be made for broad or specific purposes.

The Oregon Community Foundation is one of more than 750 community foundations in the country and consistently ranks among the top 10 in assets under management.

What OCF Does

OCF works with individuals, families, businesses and organizations to create funds that support community causes they care about. Donors can set up a fund that goes on giving for generations.

OCF's wise management of its investments optimizes the purchasing power of these funds, which allows us to distribute more than \$100 million in grants and scholarships every year.

More generally, OCF works to find collaborative, long-term solutions to serious problems at the state and local levels. As a trusted nonpartisan convener, OCF builds bridges among the public, private and nonprofit sectors to address issues that no one sector can address on its own.

OCF's History

In 1973, William Swindells, the founder of Willamette Industries, established The Oregon Community Foundation as a permanent endowment for community improvement in Oregon.

Having started from Swindells' initial \$63,000 contribution, OCF now manages more than \$2 billion through more than 2,000 charitable funds. Our total endowment has grown by over 350 percent since 2000. OCF is classified as a "tax-exempt public charity" under section 501(c)(3) of the Internal Revenue Code.

PARTNERING WITH PROFESSIONAL ADVISORS



"My clients often use OCF as a conduit because they can make informed decisions, change those decisions easily and maintain a strong, organic relationship with OCF staff. For my clients, for their families and for me, OCF is a great fit."

Ryan Collier,
Attorney,
Salem

As a professional advisor, you have clients who care about philanthropy. The Oregon Community Foundation is here to help. Many of your clients may already be donating regularly to the organizations they care about. By partnering with OCF, you can make it easier for your clients to give effectively, receive significant tax benefits and take advantage of OCF's knowledge of giving opportunities in Oregon. Your clients can enjoy the pleasure of giving without the burden of administration. We provide all administrative services related to a donor's fund, including accounting, auditing, financial management, due diligence, grantmaking and evaluation.

We make starting a fund easy. Here is how we work with donors:

Your clients would:

- Meet with an OCF philanthropic advisor to create a fund that reflects their goals.
- Learn the most effective way to give the assets they have in mind.
- Make a contribution to start the fund now or make a plan to fund it in their estate.

Your clients can:

- Start making grants or awarding scholarships through the fund with expert assistance from OCF staff.
- Involve family members, if they wish.
- Collaborate with other OCF donors for greater impact.
- Learn about the impact of their grantmaking.
- Watch their fund grow over time through a diversified investment strategy. OCF's prudent management aims for a long-term average investment return of 7 percent.



ASSETS WE ACCEPT

"It's one thing to give money, and it's another thing to monitor it and make sure it's spent wisely. I think OCF excels in those areas."

Doug Schmor,
Attorney,
Medford



QUALIFIED CHARITABLE DISTRIBUTIONS (QCD)

A QCD is a direct transfer of funds from an IRA custodian, payable to a qualified charity. QCDs can be counted toward satisfying a required minimum distribution (RMD) for the year, as long as certain rules are met. Contact your local philanthropic advisor to learn more.

We work with you and your clients to complete the most complex gift transactions and help transform assets into charitable resources.

OCF accepts many assets, including:

- Cash and Virtual Currency
- Illiquid Assets
- Interests in Business Entities*
- Life Insurance Policies
- Marketable Securities
- Pre-IPO Shares
- Promissory Notes
- Real Estate*
- Retirement Plans
- Royalties and Distribution Rights
- Stock Options
- Tangible Personal Property

** Please see the Appendices, beginning on page 13, for a more complete explanation of OCF's policies pertaining to these gifts.*

PRIVATE FOUNDATION TRANSFERS

Clients with private foundations or other charitable funds who are concerned with succession planning or investment performance or who don't have time to manage their foundation can create a fund and transfer those assets to OCF. OCF will ensure that your clients' charitable goals are met and that their funds are invested wisely in perpetuity.

FUNDS AND SERVICES WE OFFER



Duncan and Cynthia Campbell, donors, Portland

FUNDS

We can help your clients choose what type of fund is right for them.

Donor Advised Fund (minimum \$25,000)

With a Donor Advised Fund, donors can be active participants by recommending grants to nonprofit organizations of their choosing. Our staff will also let donors know of organizations and projects that match their interests.

Scholarship Fund (minimum \$50,000)

Your clients can help increase access to higher education through a scholarship fund. Donors support the type of student they care about by setting purpose, selection and award criteria. We help donors design a scholarship fund that will have the greatest impact on aspiring students.

Donor Designated Fund (minimum \$50,000)

This type of fund is a simple tool for your clients to provide annual direct support to one or more specific charitable organizations.

Community Fund (minimum \$50,000)

Whether your clients' passions are affordable housing, animal welfare or a specific region of Oregon, this type of fund lets us direct them to outstanding nonprofits working in these areas.

Discretionary Fund (minimum \$50,000)

If your clients want to have a broad impact, they can establish a fund that benefits OCF's overall charitable mission. These grants are directed by OCF's board for best possible use.

Endowment Partner Fund (minimum \$25,000)

Nonprofit organizations may establish an endowment partner fund to permanently support their operations and programs.

WHOLLY EXPENDABLE VERSUS ENDOWED FUNDS

OCF creates both wholly expendable and endowed funds. Endowed funds are invested in our main pool or social investment pool, both structured for long-term growth, with an appropriate percentage available each year for grantmaking. Wholly expendable funds are invested in our short-term pool and are fully available for grantmaking.

FUNDS AND SERVICES WE OFFER (CONTINUED)



*John and Lois Stilwell, donors,
Klamath Falls*

SERVICES

As one of the largest community foundations in the nation, OCF offers stability, expertise and a proven commitment to donors and to Oregon's communities. We have more than 40 years of experience in managing our donors' funds and helping donors achieve maximum impact in their communities.

Why partner with us? The reasons are simple. We offer your clients:

Philanthropic Advising

- Using either a current or deferred gift, we construct a fund that fulfills your clients' charitable goals, ensures maximum tax advantages and can be incorporated into your clients' plans. We can provide assistance in establishing charitable remainder trusts, and charitable gift annuities.

Investment Management

- Your clients' charitable funds are invested and professionally managed in a large and diversified portfolio. By pooling investments, we yield greater leverage and strong returns.

Grantmaking Assistance

- Your clients can participate in grantmaking to the extent that they choose. Whether their passion is for social services, the arts, the environment or any of dozens of other needs, our staff can help your clients maximize the impact of their grant dollars by providing research and information about nonprofits around the state.

Family Giving Center Services

- Your clients can benefit from OCF's decades of experience in family philanthropy. We know that we are in a period of significant wealth transfer from older generations to their children and grandchildren. OCF's Family Giving Center services can help engage the next generation of philanthropists, while supporting your clients' families to define shared values upon which to build their legacies. From facilitated grantmaking to philanthropic education to ongoing coaching and support, we make it easier to navigate the complexities of giving with family and (re)ignite the joy of giving together.

FUNDS AND SERVICES WE OFFER (CONTINUED)



I Have a Dream Oregon

OCF AND YOUR CLIENTS

OCF's success is built on relationships. Our services support your clients' goals and respect their values. Your clients can expect:

- **A Personal Connection.** Our expert staff helps guide donors through one-on-one or family meetings geared toward their interests. We also offer group workshops on topics related to nonprofits and philanthropy. With five offices located throughout Oregon, we are close at hand.
- **Extensive Online Resources.** OCF has a comprehensive website with information for donors, professional advisors and grant seekers. The site also includes MyOCF, a dynamic online tool for advised fund donors. Through MyOCF, your clients access fund information and have the ability to make grant recommendations anytime they wish.
- **Expertise in Accepting Gifts of Cash and Unmarketable Securities**
- **Donor Events and Education Opportunities.** If your clients like to be hands-on in their giving, OCF can help. Our events give donors the chance to engage with nonprofits and other donors in their community. We offer donor workshops focused on specific issues and best practices in philanthropy.
- **Expert Research and Analysis.** From arts programs to early childhood education to natural resources, we research effective nonprofits. Our research department issues reports on best practices in the nonprofit sector. This knowledge base is available to your clients.
- **Option to Maintain Anonymity.** We offer your clients the option to remain anonymous at a level that is comfortable for them.



FOLLOW US ON FACEBOOK
TheOregonCF



FOLLOW US ON INSTAGRAM
the_ocf



FOLLOW US ON TWITTER
@TheOregonCF

MyOCF



MyOCF is an online fund management tool accessible through the OCF website that allows your clients to review financial statements, generate a grant history report, recommend grants and add to their fund. **MyOCF** offers online grantmaking 24 hours a day!

COMPARING CHARITABLE OPTIONS

	OCF DONOR ADVISED FUNDS	COMMERCIAL DONOR ADVISED FUNDS	OCF SUPPORTING ORGANIZATIONS	PRIVATE FOUNDATIONS
PROCESS TO CREATE	Simple fund agreement between donor and OCF; can be set up immediately.	Agreement between donor and commercial entity.	Each supporting organization is included under the umbrella of OCF but has its own tax ID number. Requires additional legal fees and documentation to set up, and can take several weeks.	Must incorporate as a nonprofit or be created as a trust and apply to the IRS for tax-exempt status. Requires additional legal fees to set up, and can take several months.
MINIMUM CONTRIBUTION	\$25,000, or \$5,000 to create step-up fund.	Varies.	\$5 million.	Most recommend at least \$5M to be successful.
SERVICES	Service and relationship based. OCF supports donors' philanthropy by helping define giving strategies that reflect their interests, engaging family members, offering peer learning opportunities, making connections with fellow donors and providing qualitative vetting of nonprofits.	Typically transaction-based. Most do not offer personalized advice on grantee selection, nor expertise and research on Oregon nonprofits.	In addition to support provided to donor advised fund donors, OCF also provides administrative, investment management, accounting and grantmaking services.	Board must arrange and support all grantmaking. Any additional support must be provided by the private foundation's staff or contractor.
INVESTMENTS	Donor selects from two portfolios created by OCF. Our main pool and social impact pool assets are managed by investment managers selected by OCF.	Donor selects from pools offered by commercial entity.	Donor and OCF work together to appoint a board with an OCF majority. Board controls investment strategy and may also select managers.	Donor appoints board or trustees who manage investments.
GRANTMAKING	Donor recommends grants to qualified nonprofit organizations; 50% of overall grants required to support nonprofits in Oregon. Staff can: - Identify community needs. - Perform qualitative vetting of nonprofits. - Share grant proposals from Oregon nonprofits.	Donor recommends grants to qualified nonprofit organizations. Most do not offer personalized advice on grantee selection.	Donor and OCF work together to appoint board with an OCF majority. Board controls grantmaking, but OCF performs all due diligence and back-office work.	Donor appoints board that controls grantmaking and conducts due diligence to ensure grant recipients are qualified nonprofits.
FUND DURATION AND DONOR INTENT	Donor may name one generation of successor advisor(s) to the fund. OCF's expertise and knowledge of Oregon nonprofits allows it to carry out donor intent into perpetuity.	Duration determined by commercial entity. Most do not offer ongoing expertise about Oregon nonprofits to carry out donor intent into perpetuity.	Board continues into perpetuity and can involve future generations. OCF's expertise and knowledge of Oregon nonprofits allows it to carry out donor intent into perpetuity.	Board continues into perpetuity if there is ongoing interest and can involve future generations. Insuring donor intent depends on expertise and commitment of future board and staff.
CHARITABLE DEDUCTIONS	Cash: up to 60% of adjusted gross income (AGI). Publicly traded securities: FMV up to 30% of AGI. Real estate: FMV up to 30% of AGI.	Cash: up to 60% of AGI. Publicly traded securities: FMV up to 30% of AGI. Real estate: FMV up to 30% of AGI.	Cash: up to 60% of AGI. Publicly traded securities: FMV up to 30% of AGI. Real estate: FMV up to 30% of AGI.	Cash: up to 30% of AGI. Publicly traded securities: FMV up to 20% of AGI. Real estate: deductible at cost basis.
CHARITABLE DISTRIBUTION REQUIREMENTS	None.	None.	None.	Annual distribution of 5% of assets.
ADMINISTRATIVE CONSIDERATIONS	None. All handled by OCF. Fees charged support OCF's mission to improve lives in Oregon.	None. Fees charged benefit commercial entity.	Form 990 filing and audit are completed by OCF. Family member may not serve as paid staff member.	Donor must independently perform all financial and administrative services or hire staff to do so. Annual Form 990 PF and reporting required. Excise tax of up to 2% of net investment earnings; other taxes may apply. Family member may serve as paid staff member.
TAX STATUS	Public charity as a fund under OCF's public charity status.	Public charity.	Public charity as a separate 501(c)(3) entity under §509(a)(3).	Private charity as a separate 501(c)(3) entity under §509(a).

THE POWER OF AN ENDOWED FUND

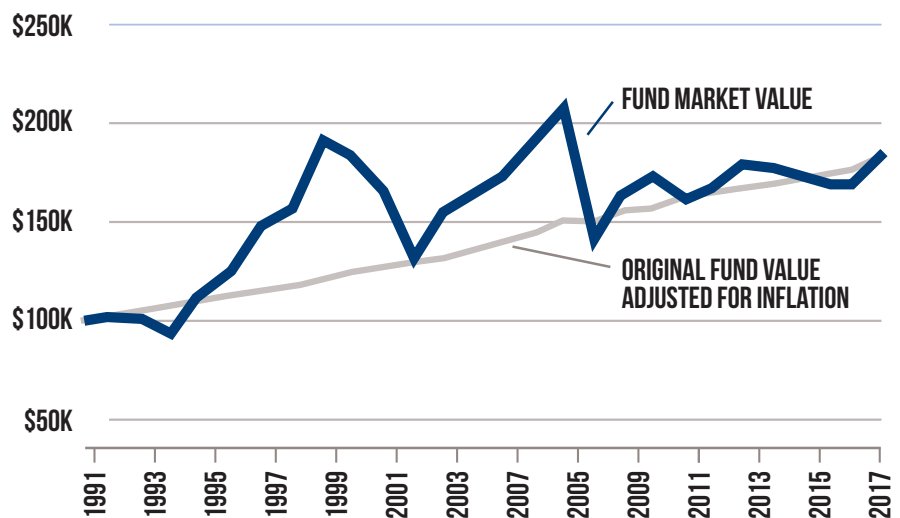


Marion Polk Food Share Community Kitchen, Salem

Although we can establish wholly expendable funds, we encourage endowed funds because they align with our mission to support the needs of our state in perpetuity.

Your clients' endowed funds can grow over time, even while grants or scholarships are made from the funds. This chart shows an actual OCF fund that increased in value over 20 years because of OCF's strong investment program and prudent annual grantmaking.

26-Year Growth of an Endowed Fund, 1991-2017



Fund established December 1991 \$100,000
(Note: There were no additional gifts to this fund.)

December 31, 2017:

Actual Fund Value	\$183,631
Original Fund Value Adjusted for Inflation	\$180,772
Grants Approved 1/1/1992 - 12/31/2017	\$186,204
26-Year Annualized Investment Return	8.4%
26-Year Inflation Rate	2.3%

SUPPORTING ORGANIZATIONS



Newport Youth Symphony, Newport

Supporting organizations are a tax-wise alternative to a private foundation that allows your client to hire staff and convene a board. They require less overhead because OCF handles all of the administrative oversight, including the IRS-mandated tax returns and annual audits.

Supporting organizations are individual 501(c)(3) public charities under Section 509(a)(3) of the tax code. Although they have their own tax ID number and their donations receive the maximum level of tax deductions permitted by law (as with a donor advised fund), each supporting organization supports the mission of OCF, and its grants and activities must fulfill and support the charitable purposes of OCF.

The donor and OCF work together to appoint a board. A majority of the supporting organization's members must be appointed by OCF because of its role as the "supported organization." The board controls the investment strategy and may also select managers.

Our expert staff is always available to help your clients meet their grantmaking and philanthropic goals. We can help define strategy, engage family, assess the effectiveness of grantees and more.

A comparison of supporting organizations with other charitable options is available in the chart on page 7.

TESTAMENTARY AND LIFE INCOME GIFTS



*"OCF has confidence in
what I do, and I have
confidence in what they do.
Together, we have
great synergy."*

Erin McDonald, JD
Attorney,
Bend

If your clients are interested in testamentary and life income gifts, one of our philanthropic advisors can help you and your clients plan and establish a fund agreement that will receive one or more of the deferred charitable gift described below. This agreement establishes the best type of fund for the causes your clients wish to support. Your clients may qualify for an immediate tax deduction based on the gift.

Bequests

The estate of donors who leave a bequest to charity may take a charitable deduction of 100 percent of the gift's value. Your clients' bequest can be stated as a set amount of cash, securities or other assets or as the "residue" or a "percentage of the residue" of the estate. The bequest can also be contingent upon the occurrence of stated events.

Charitable Remainder Trusts (CRT)

Your clients may transfer assets to a charitable remainder trust that provides a specified distribution percentage to one or more (income) beneficiaries for life, or a term of years, with the remainder interest paid to charity.

Charitable Lead Trusts

Donors may transfer assets to a charitable lead trust. A charity is the income or "lead" beneficiary for a lifetime or term of years, after which the remaining assets are distributed to the donor or other beneficiaries.

Gift Annuities

In return for a donation of cash or other assets, the charity agrees to pay the donor — and/or someone designated by the donor — a fixed payment for life, with the residuum paid to charity.

Life Insurance/IRA Beneficiaries

IRA accounts listing The Oregon Community Foundation as the beneficiary pass to OCF free of estate and income taxes. Not only can OCF be named as the beneficiary of a life insurance policy, but a donor can also transfer the policy irrevocably to the Foundation and claim an income tax deduction for the policy's cost basis or cash surrender value (whichever is less). Any subsequent premium payments may be deductible.

Please see Appendix 3, page 17, for further information on bequest language and life income gifts.

INVESTMENT INFORMATION



*Dental kit giveaway, Rosemary
Anderson High School East, Portland*

OCF invests its endowed funds to provide a stable resource for Oregon that responds to today's needs while preserving and enhancing the real value of funds for future needs.

Asset Allocation

A well-diversified portfolio is fundamental to OCF's investment strategy to help maximize investment returns and reduce risk and volatility. Our Investment Committee regularly reviews the asset allocation strategy.

Distribution Policy

Each year, OCF's board of directors reviews the distribution rate. A prudent distribution rate between 4.0 to 5.0 percent helps to maintain the funds for future years. The distribution is calculated by using a 13-quarter trailing average of fund market values.

Investment Committee

OCF's Investment Committee makes recommendations to the board of directors regarding investment policy and strategy, and hires and monitors investment managers. The Investment Committee includes community volunteers and OCF board members with expertise in investments and business. Cambridge Associates, an international investment consulting firm, assists the committee in its work.

OCF Investment Committee Members as of 12/31/2017

Bill Berg, chair, Portland
Kirby Dyess, Beaverton
Karen Harding, Portland
Lyn Hennion, Medford
Chris Magaña, Portland
Duane McDougall, Lake Oswego
Garth Nisbet, Lake Oswego
Ron Parker, Portland
Eric Parsons, Portland
William Rutherford, Portland
Lane Shetterly, Dallas
Duncan Wyse, Portland

INVESTMENT INFORMATION (CONTINUED)

MAIN INVESTMENT POOL

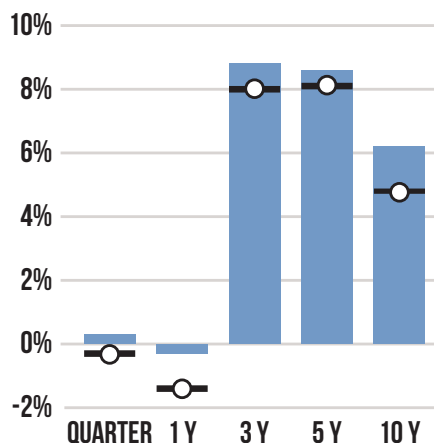
The goal of the Main Investment Pool is to provide a stable resource for Oregon that responds to today's needs while preserving and enhancing the real value of funds for the future.

Annualized Main Investment Pool Returns Periods Ending 12/31/17

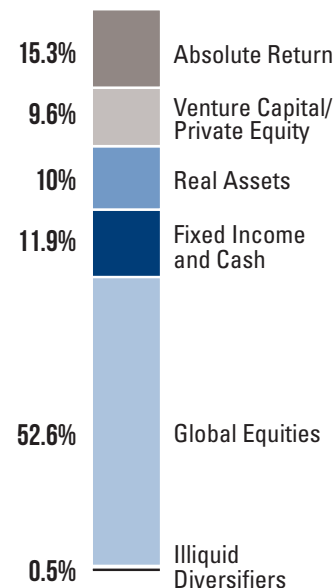
	OCF	BENCHMARK*
QUARTER	4.1%	4.3%
1 YEAR	16.5%	16.2%
3 YEARS	6.7%	6.3%
5 YEARS	7.5%	6.9%
10 YEARS	4.3%	3.7%

*Expected returns if assets had been invested in index funds based on OCF's asset allocation.

Investment returns are net of investment fees.



Main Investment Pool Assets Allocation at 12/31/2017



SOCIAL INVESTMENT POOL

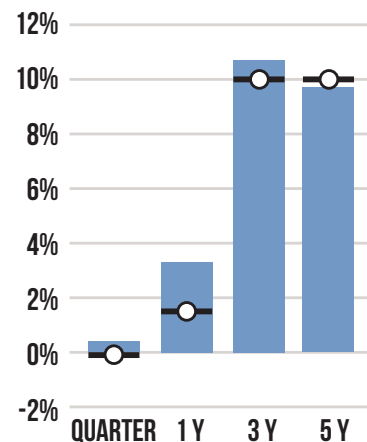
In the Social Investment Pool, investments are subject to environmental, social and governance screenings. This pool is invested to achieve the same objectives as the Main Investment Pool.

Annualized Social Investment Pool Returns Periods Ending 12/31/17

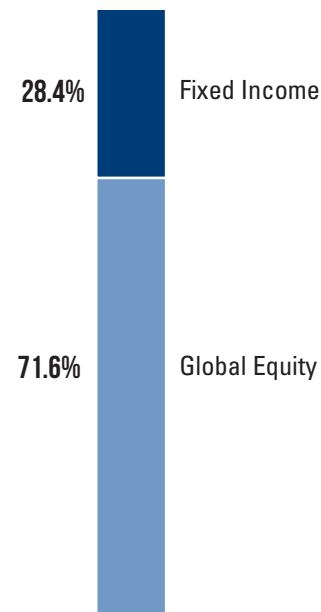
	OCF	BENCHMARK*
QUARTER	4.2%	3.9%
1 YEAR	21.9%	16.9%
3 YEARS	9.3%	7.2%
5 YEARS	9.8%	8.4%

*Benchmark is 70% global equities and 30% fixed income.

Investment returns are net of investment fees.



Social Investment Pool Assets Allocation at 12/31/2017



Many charitable individuals are small-business owners who would like to contribute an interest in a closely held family business. The Oregon Community Foundation can accept gifts of closely held business interests from its donors.

How may donors give closely held business interests to OCF?

In August 2013, OCF created the Oregon Community Foundation Trust, EIN 46-7059268, a supporting organization of OCF, to accept gifts of closely held business interests. Business interests can be either subchapter S corporation or subchapter C corporation stock. All gifts of closely held business interests should be granted to the trust. Following the liquidation of the business interest, a distribution of the sale proceeds will be made to a fund of the donor's choice at OCF.

OCF's Gift Acceptance Committee will review each company's shareholders' agreement to confirm that OCF is an eligible shareholder of the interest, in addition to conducting other due diligence review, prior to accepting the gift.



The Bustos Family, Portland

Giving a gift of real estate such as rental property, an open lot or a vacation home can be a highly effective philanthropic and financial strategy. OCF is able to work with its donors to accept gifts of real estate either outright or into a charitable remainder unitrust.

Prior to accepting real estate, OCF will request the following documents from donors:

- A completed questionnaire (provided by OCF)
- A phase 1 environmental assessment review (coordinated by OCF)
- A home/building inspection report (coordinated by OCF)
- A qualified appraisal
- A copy of the most recent tax statement
- A copy of any condominium agreements, leases, restrictive covenants, leases and management agreements

Each piece of property will be evaluated on a case-by-case basis by OCF's Gift Acceptance Committee. Once a proposed gift is approved by the committee, outright gifts of real estate will be accepted into a single-member LLC. OCF and its counsel will coordinate with the donor and the donor's legal advisor to arrange the closing and transfer of title. The date of the gift is the date on which title to the property is transferred to OCF. Due to the complex nature of real estate transactions, donors interested in exploring a possible gift of real estate are requested to review and submit a signed "OCF Real Estate Gift Process Disclosure Form," which details the responsibilities of the donor and OCF.

The donor will be responsible for all expenses and carrying costs associated with the property prior to its sale.

Please contact your regional OCF office to speak with a member of the Development Department for additional information about these gift opportunities.



Liberty Theatre, Astoria

MORE ON REAL ESTATE AND GIVING

Gifts of real estate are often overlooked when donors consider their giving options, even though real estate often represents a significant portion of the assets they own. Real estate investments have generally appreciated over time, while stock market fluctuations continue to cause concern, making real estate an attractive option for creating a charitable fund. Also, a gift of appreciated real estate provides a charitable deduction at the qualified appraised value of the property.

Getting Started

The process of giving real estate and similar assets is more complicated than transferring securities or writing a check. It's important to know whether the property is free and clear of debt, whether the donor holds clear title, whether the property is marketable, and whether there are any concerns about environmental or other potentially negative factors.

Part of the transfer process for gifts of real estate involves due diligence that OCF will undertake. Depending upon the condition, location and use of the property, environmental audits may be required in addition to on-site inspections.

Determining Value

The donor must obtain a qualified appraisal from a qualified appraiser to determine the value of the property. A market analysis from a real estate broker may be useful, but it won't meet IRS requirements for substantiating a claim for a charitable deduction.

Selling the Property

The donor may not engage in negotiations prior to the donation, and the property cannot be listed for sale before it is donated. Potential buyers should work directly with OCF.

The Oregon Community Foundation has a wealth of experience in handling many types of real estate gifts, from timberland and farms to vacation properties, residences, apartment buildings and commercial buildings. We have a comprehensive set of guidelines and policies regarding the acceptance of real estate and similar gifts, and we work closely with donors to ensure that the acceptance and transfer processes are handled in a professional and timely manner.



Baker Heritage Museum, Baker City

The Oregon Community Foundation (OCF) appreciates your consideration of a gift of real estate. Gifts of real estate are generally complex transactions that require a clear understanding between the donor and OCF about each party's responsibilities throughout the transfer process. The purpose of this document is to advise the donor of each party's role.

1. OCF has created a series of "single-member LLCs" (to date, OCF Properties I, II and III) to facilitate gifts of real estate intended to benefit OCF. Each LLC is wholly owned by OCF and treated by the Internal Revenue Service as a disregarded entity. The donor will be entitled to the same charitable deductions that would be allowable under IRC section 170(a) for a gift to OCF.
2. OCF will evaluate each proposed gift on a case-by-case basis in accordance with OCF's policies and procedures. Upon initial inquiry, potential donors will be asked to complete a Real Property Disclosure Form and to return it to OCF. Donors will also be required to provide:
 - a. A phase 1 environmental assessment review (set up by OCF)
 - b. Home inspection report (set up by OCF)
 - c. Qualified appraisal (please see details below)
 - d. The most recent tax bill
 - e. Copy of any condominium agreements, restrictive covenants, leases and management agreements (if applicable)
3. Prior to delivering the real estate to OCF, the donor is responsible for obtaining a qualified appraisal that complies with IRS regulations for the purposes of establishing the value of the contribution and for substantiating the charitable deduction that will be claimed on the donor's income tax form.
4. The donor agrees to provide adequate cash to Property LLC to cover administrative and maintenance fees (e.g., legal, insurance, taxes, utilities, repairs, etc.) associated with the carrying of the property. Additional cash will be acquired either through additional gifts from the donor or will be netted from sale proceeds.
5. Upon receiving the property, OCF will generally sell it for fair market value and will be the sole party to make the final decision on the final sale price. Proceeds from the sale, net of fees associated with holding and marketing the property, will be received into a component fund of OCF once the sale is complete. However, there may be no material restrictions that would prevent OCF from freely and effectively using or conveying the property in furtherance of its charitable purpose.
6. OCF will substantiate the gift with a formal gift acknowledgment letter to the donor. If the property is sold, exchanged, consumed or otherwise disposed of within three years of its receipt by OCF, OCF will be required to file IRS Form 8282 ("Donee Information Return").
7. Upon acceptance of the gift, OCF will charge the donor advised fund 1% of the appraised value of the real estate to cover administrative and management expenses.

OCF would be pleased to provide any additional information at your request.

Acknowledgments

Donor(s) hereby acknowledge that s/he/they has/have received and understands the information set forth in the OCF Real Estate Gift Process Disclosure Form.

Donor Date

Donor Date

Received by OCF

By _____
Date

The fees associated with these inspections and reports will be the responsibility of the donor.

3. Prior to delivering the real estate to OCF, the donor is responsible for obtaining a qualified appraisal that complies with IRS regulations for the purposes of establishing the value of the contribution and for substantiating the charitable deduction that will be claimed on the donor's income tax form.
4. The donor agrees to provide adequate cash to Property LLC to cover administrative and maintenance fees (e.g., legal, insurance, taxes, utilities, repairs, etc.) associated with the carrying of the property. Additional cash will be acquired either through additional gifts from the donor or will be netted from sale proceeds.

TYPE OF GIFT	MINIMUM TO ESTABLISH GIFT	DESIGNATION OF RESIDUUM/REMAINDER	NOTES
CHARITABLE GIFT ANNUITY (CGA)	• \$25,000 • May be funded with cash or publicly traded securities	• The Oregon Fund • The Oregon Scholarship Fund • The OCF Leadership Fund • Any existing permanent fund at OCF • For a nonprofit endowment partner to add to an existing OCF endowment partner fund • Create a new OCF permanent fund, if residuum meets current funding amount	• Minimum age of the annuitant is 60 • 55 and older eligible to set up deferred CGA • No fee
CHARITABLE REMAINDER UNITRUST (CRUT)	• \$100,000 • May be funded with cash, publicly traded securities and unmarketable assets (e.g., real estate, artwork, antique automobiles)	• To serve as trustee, OCF must be named the irrevocable beneficiary of at least 50% of the charitable remainder value. Remaining 50% may be distributed directly to donor's charity(ies) of choice • Remainder value may be designated for any permanent fund at OCF • New permanent fund may be created if the net present value of the remainder interest for OCF is greater than or equal to the current fund minimum	• Minimum age of beneficiary is 55 • Payout percentage to beneficiary between 5% and 7% • Fees for preparation of trust document • Expenses related to carrying costs of unmarketable assets prior to their sale • Administrator fee approximately 80 bps annually
CHARITABLE REMAINDER ANNUITY TRUST (CRAT)	• \$100,000 • Mostly funded with cash and publicly traded securities • Difficult to fund with unmarketable assets because of the immediate payment obligation	• To serve as trustee, OCF must be named the irrevocable beneficiary of at least 50% of the charitable remainder value. Remaining 50% may be distributed directly to donor's charity(ies) of choice • Remainder value may designated for any permanent fund at OCF • New permanent fund may be created if the net present value of the remainder interest for OCF is greater than or equal to the current fund minimum	• Minimum age of beneficiary is 55 • Payout percentage to beneficiary between 5% and 7% • Fees for preparation of trust document • Expenses related to carrying costs of unmarketable assets prior to their sale • Administrator fee approximately 80 bps annually

Sample Bequest Language

The following are examples of language your client may use to name OCF as a beneficiary of their will or trust.

Gift to an Existing OCF Fund

If your client already has a fund at OCF, they may choose to add to this fund through a gift from their estate.

"I give to The Oregon Community Foundation, an Oregon nonprofit corporation, EIN 23-731563, located in Portland, Oregon, ['the sum of \$_____, description of property or percentage of residue], free of estate or inheritance taxes, to be added to the _____ Fund and administered as a part thereof."

Gift of a Percentage of an Estate

Your client may leave a percentage of their estate to OCF.

"I give to The Oregon Community Foundation, an Oregon nonprofit corporation, EIN 23-731563, located in Portland, Oregon, ____ percent of my estate, free of estate or inheritance taxes, to be used as its board of directors determines necessary or desirable to further its objectives and purposes."

Specific Bequest

Naming OCF the beneficiary of a specific amount from your client's estate is called a specific bequest.

Unrestricted Gift

"I give to The Oregon Community Foundation, an Oregon nonprofit corporation, EIN 23-731563, located in Portland, Oregon, ['the sum of \$_____' or description of property], free of estate or inheritance taxes, to be used as its board of directors determines necessary or desirable to further its objectives and purposes."

Restricted Gift

"I give to The Oregon Community Foundation, an Oregon nonprofit corporation, EIN 23-731563, located in Portland, Oregon, ['the sum of \$_____, description of property or percentage of residue], free of estate or inheritance taxes, to be used for [description of purpose]."

Residual Gift

A residual gift means that your client may choose to grant specific gifts to other beneficiaries, and whatever is left after these gifts have been distributed will go to OCF.

"I give, devise and bequeath to The Oregon Community Foundation, an Oregon nonprofit Corporation, EIN 23-731563, located in Portland, Oregon, all the rest and residue of my estate, including real and personal property."

Contingent Bequest

A contingent bequest means that OCF will receive a gift from your client's estate only if the primary named beneficiary is unable or unwilling to accept the gift.

"In the event that all of the beneficiaries named herein predecease me or are otherwise ineligible to receive a distribution from my estate, I give, devise and bequeath [interest] to The Oregon Community Foundation, an Oregon nonprofit corporation, EIN 23-731563, located in Portland, Oregon."

Through careful management and use of volunteers, OCF keeps its expenses low while providing high-quality services to donors and grantees. Each OCF fund pays a proportionate share of the Foundation's administrative costs, based on an annual fee structure.

Historically, OCF's administrative fees have been among the lowest compared to community foundations nationally.

FUND TYPE	OCF ADMINISTRATIVE FEE***
Permanent Funds (Community, Advised, Designated)*	
First \$2M	0.95%
Next \$4M	0.85%
Next \$14M	0.55%
Amounts > \$20 M	0.35%
Scholarship Funds**	
First \$2M	0.95%
Next \$4M	0.85%
Next \$14M	0.55%
Amounts > \$20M	0.35%
Endowments for Other Nonprofit Organizations	
First \$1M	0.50%
Next \$4M	0.20%
Amounts > \$5M	0.10%

*Community funds and advised funds that award scholarships are assessed an additional fee for scholarship administration.

**Plus an additional 10% of the amount of scholarships awarded.

Minimum annual administrative fee for an advised fund is \$475.

Funds with special grant programs are assessed an additional fee of 0.25% (maximum of \$25,000 additional fees).

***Rates shown do not include investment management costs. Information on investment management costs is available at oregoncf.org/explore-ocf/financial-information.

Investment Management Costs

OCF allocates the costs associated with investment management proportionally to the individual funds in its investment pool. These costs include fees paid for professional management, independent investment consulting and legal consultation associated with the investment program.

The fees of individual managers vary depending on the size of the portfolio and the type of assets being managed (e.g., management fees for fixed-income investments are typically lower than fees for equity investments). Total investment costs fluctuate depending on how assets are allocated among managers and among investment categories.

OCF's investment returns are stated net of investment management costs.

"OCF gave us a seamless way to give, now and into the future. It pointed us toward concerns that we're not connected with, which helps us give back in areas we wouldn't otherwise know about."

~ Bill and Anne Lansing, OCF Donors, Coos Bay

"OCF will ensure that my clients' wishes are applied in the long run – it's very appealing to have a conduit for supporting a cause indefinitely after their death."

~ Kathy Evans, Attorney, Salem

"OCF provides my clients with the platform to be as engaged as they want to be without the administrative headaches that might go with a family foundation."

~ Janeen McAninch, Financial Advisor, Portland



THE MISSION OF
THE OREGON COMMUNITY FOUNDATION
IS TO IMPROVE LIVES FOR
ALL OREGONIANS THROUGH
THE POWER OF PHILANTHROPY

Since 1973, The Oregon Community Foundation has connected private giving to public good, in every corner of the state and beyond. OCF works with individuals, families, businesses and organizations to create charitable funds to support the community causes they care about.

To create your legacy today, call your local OCF office
or visit www.oregoncf.org.

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