



Together, we flourish.

Community Foundation™

for the Fox Valley Region



This community foundation is *your* community foundation.



Welcome

Welcome to the Community Foundation for the Fox Valley Region.

This donor information guide is meant to inform and inspire you as you begin your journey toward playing an integral role in making our community a better place for all.

Your giving makes a difference in several ways – learn how your generosity can impact many lives.

Thank you for helping our community to flourish.



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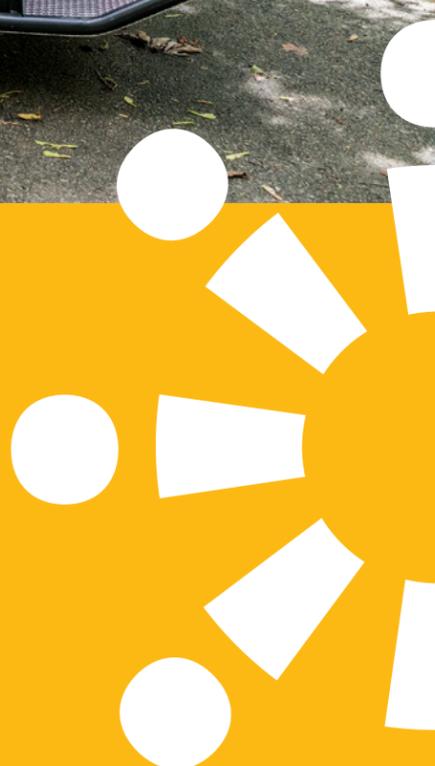


Our Mission

We strengthen our community for current and future generations by helping people make a difference in the lives of others.

Our Purpose

Strengthening our community by connecting your generosity with nonprofit organizations that work to preserve and improve the quality of life for all, now and for generations to come.



Why Give

through the Community Foundation?

We believe in our community's lasting value. In fact, making sure our community is always a special place to live is why we're here.

We're about helping you make an impact. You want to help - but how, where, or in what way? Let us partner with you to share our knowledge and give you a way to not only make an impact today, but always.

We're about helping you make a difference. Joining resources to implement change is our passion. Individual gifts, when joined with others given through the Community Foundation, ensures the impact lasts forever to make a greater difference - together.

We're about connecting people with the needs of the community. We take seriously our job to know about important issues facing the Fox Valley region by building and maintaining strong relationships with nonprofits and our unwavering pursuit of our community's needs.



Your Community Foundation: We connect people with opportunities to address local needs of the community. We ensure that, together, we make an everlasting impact so that our community will always flourish.

At a Glance:

Who Gives to your Community Foundation?

- Individuals
- Families
- Private Foundations
- Businesses
- Nonprofits

Ways to Give Now

- Cash
- Securities
- Individual Retirement Account (IRA)
- Real Estate
- Personal Property
- Business Interests
- Charitable Lead Trust

Ways to Give Later

- Bequests
- Charitable Remainder Trust
- Charitable Gift Annuity
- Retirement Assets
- Life Insurance
- Life Estate
- Memorial Contributions

We can help to guide your giving by:

- Arranging site visits to nonprofit organizations
- Creating a strategic giving plan that matches your personal interests
- Providing ways to help you maximize your gift to make the biggest impact
- Sharing our knowledge of the community's needs and providing granting support
- Recommending articles and books on philanthropy
- Offering suggestions on how to discuss philanthropy with your children and grandchildren

How Does the Community Foundation Work?



- We're a nonprofit organization managing charitable funds — both permanent endowments and non-endowed funds — created by many generous individuals, families, businesses and organizations who want to support initiatives that create opportunities for all.
- Charitable funds established with the Community Foundation serve as the

source of grants and scholarship awards for the long-term benefit of the people and nonprofit organizations throughout our region (grants can also be awarded to nonprofits statewide and nationwide).

- Our priority is to manage and direct your gifts to help meet community needs and your charitable intentions.

Who We Are



Inclusive Partners

We encourage giving from all generations and welcome the opportunity to engage dynamic partners from throughout the community to discover how they can make a difference. Gifts of all sizes and kinds are welcomed and needed.



Educators

We act as an educational resource for the community as we help to raise awareness of community issues and effective ways to give.



Difference Makers

We shepherd personally meaningful connections between donors and nonprofit organizations, resulting in a stronger community for today and tomorrow.



Community Problem Solvers

We collaborate and help to lead community-wide initiatives that foster change by bringing people together to tackle issues that require broad community action.

Where We Serve



- Calumet, Outagamie, Shawano and Waupaca counties and the Neenah-Menasha area of Winnebago county
- Through partnerships with families of funds in Brillion, Chilton, Clintonville, Shawano and Waupaca

Our History



Our founding officers, left to right:
O.C. Boldt, Gail Janssen, Mary Sensenbrenner,
Walter L. Rugland, Art Remley, Roger Baird, Larry Kath

One person's dream, and \$5,000, started it all.



Walter L. Rugland

When Walter L. Rugland received the first "Community Service Award" presented by Aid Association for Lutherans in 1986, he wanted to use the \$5,000 prize money to pursue his dream of a "catalyst for change" working across the region. A former President and CEO of the Appleton-based fraternal insurance company now known as Thrivent, Walter had heard about community foundations from his son, Walt, who was working in Hartford, Conn. Walter knew giving back was part of the fabric of the Fox Valley region of Wisconsin and a community foundation was just the right thing.

Together, we flourish.

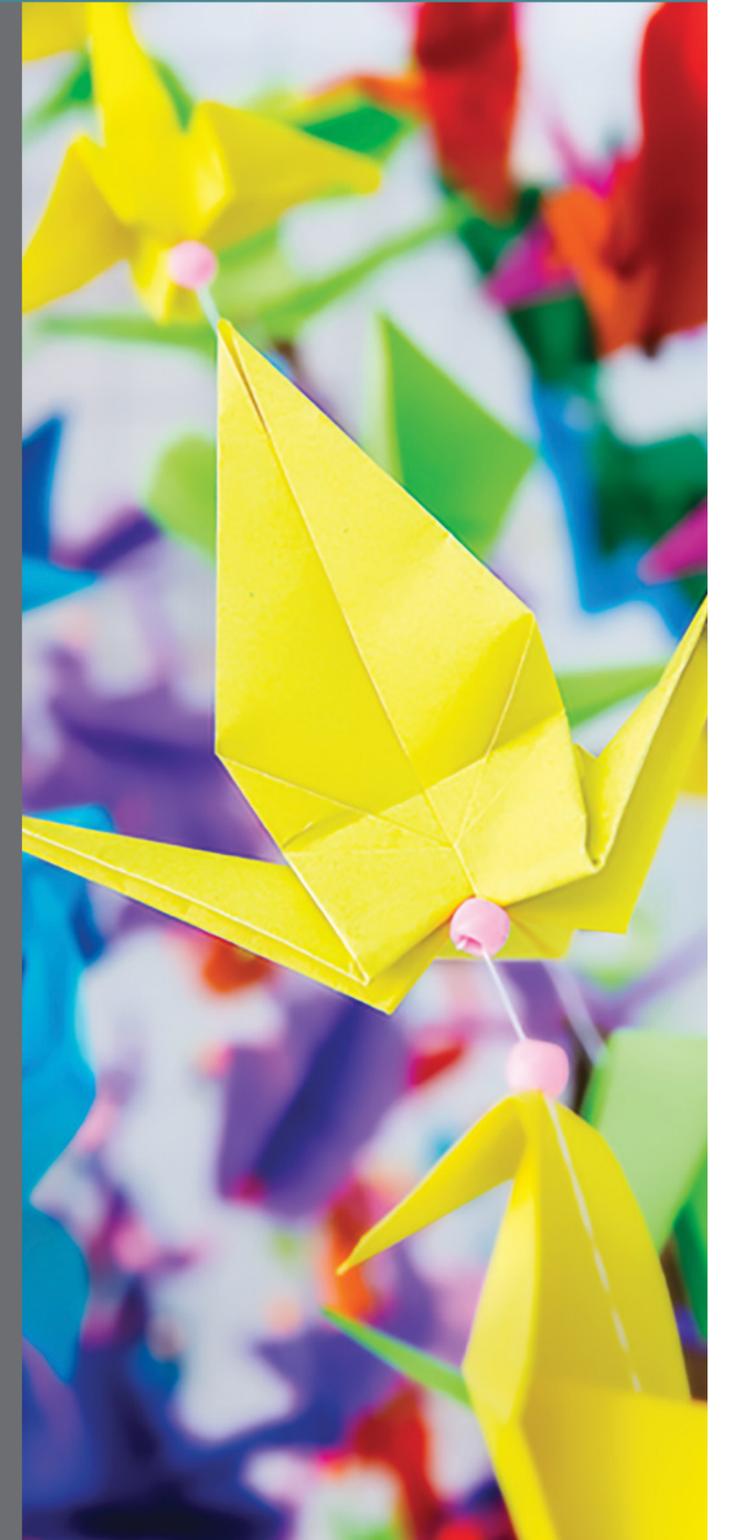
"What you're doing is having the Foundation preserve your money for use for the future," he explained at the time. Walter enlisted the help of contractor O.C. Boldt, attorneys Arthur Remley and Roger Baird and industrialist Paul Groth to join him in making personal visits to community leaders to build support for the idea.

Walter shared his story of working on farms as a boy in North Dakota to explain the need. One day, he asked a farmer why he plowed a field under to lie fallow for a year.

"The land has been very good to us," the farmer replied. "If we don't give some of it back, it probably won't keep helping us."

This epitomized Walter's idea for the community foundation. "We give things back to the area because it has been very good to us."

Walter remained an active supporter of the Community Foundation until his death in 1991. Through the *Walter and Nora Rugland Fund*, he and his wife continue to support the operations of the Community Foundation even today.



Deciding To Give



The Community Foundation is a reflection of our caring and generous community. Because of the giving spirit of people like you, we have grown to become the second largest nationally certified community foundation in Wisconsin and are among the top 10% nationwide.

There are several ways you can join the effort in making our community a better place for all.

Many people come to a point in their lives where they feel called to give back. They do so for a number of reasons, all very personal to them.

What motivates you? Perhaps you feel strongly about a cause. Or there is an organization that touched your life or the life of a loved one. Maybe you want to create a legacy and set an example that inspires others to give. Or perhaps, giving is a way to re-engage your family members and pass along values to younger generations.

For the many different motivations for giving, there are also many ways to give. The key to having a rewarding experience is finding the best fit for your charitable goals, financial goals and personal preferences. We'll work with you and your tax, legal or financial planning advisor to determine the best plan for your situation and goals.



Stories of Inspiration



The McGowan Family Philosophy: Giving is Joyful.

It is Mike and Amy McGowan's theory that being able to give back to our community and to causes that are important to each of us allows us to look beyond ourselves and see the bigger picture. Using their gifts to make an impact in others' lives is important to them. They live by the saying, 'We make a living by what we get, we make a life by what we give.' They strive to model the joy of giving to their children and help them understand the benefits of sharing.

Learning about the importance of 'giving back' early on from her own parents, Amy understands the significance of giving back even when we feel we may not have much to give. For that reason, Mike and Amy make it a priority to set aside money, even a little at a time, and then give thoughtfully to the organizations and causes they believe in. By including their children in family discussions about where to make a gift, they are instilling a strong foundation for philanthropy in the next generation.

To further that education, at Christmas they gift each of their children with an amount they can donate however they would like.

"It's rewarding to watch them do research and think about how they'd like to pass on that gift," commented Amy.

The Community Foundation makes it easy to donate to those causes. The framework of the Community Foundation provides a structure to make giving easy... and joyful.

The ability to make gifts through the *Michael & Amy McGowan Family Fund* at the Community Foundation to multiple programs and causes is appealing to the McGowan family. They are most passionate in supporting their church, basic needs, clean water, education, Down's Syndrome organizations (in honor of their Godchild) and Habitat for Humanity (a long-time interest of Amy's and her place of employment). They have found that their kids tend to choose the same causes, but the youngest always chooses to include giving part of her gift to animals.

The act of giving to the causes they support is a way to honor something they believe in or someone they love. Amy and Mike firmly believe, "Giving these gifts creates joy, and shares love."

Creating a Charitable Fund

From start to launch, you:

- Choose a fund name
- Choose a fund purpose
- Select one of the Community Foundation's investment options
- Sign a fund agreement describing your charitable intent
- Make a gift of cash, securities, real estate, etc. to establish a fund or provide for a gift through a bequest in your will
- Watch your fund grow by investment and additional contributions



Charitable Fund Options to Fit your Giving Goals

We work with you to tailor a fund to your charitable goals, first identifying the most suitable type of fund.

Donor Advised Fund –

A personal approach to giving. You recommend grants for charitable causes that have special meaning for you, your family or your business.

Designated Fund –

A targeted approach to giving. You choose one or more charitable organizations to receive ongoing support.

Field of Interest Fund –

A focused approach to giving. You support a broad charitable area of interest and you, an advisory committee or Community Foundation staff can recommend nonprofit projects or programs that help the community in that field.

Scholarship Fund –

A generational approach to giving. You work with the Community Foundation to establish criteria for selecting deserving students, which could include ability, need, pursuit of a particular field of study or others. You may choose to be involved in awarding the scholarship.

Unrestricted Fund –

A flexible approach to giving. You give the Community Foundation Board and committees the means and the opportunity to make grants that address ever-changing community needs.

Agency Fund –

A sustained approach to giving. Established by a charitable organization as an enduring source of its own support and stability.

Stories of *Inspiration*



Helping to create a dementia-friendly community in the Fox Valley

When Walt Zerrenner walked through the Community Foundation's doors, he had a love story on his mind. His wife of 54 years, Aline, has been living with Alzheimer's for the past decade, and Walt wanted to set up a fund to honor her and help others in the Fox Valley impacted by the disease.

He met his future bride in the summer of 1964, on a New Jersey beach. He'd just

finished four years in the Marine Corps, and Aline had graduated from Montclair College and was teaching high school math. The two hit it off, married a year later and built a life together.

Fast forward to their 2006 vacation in New York City, when Walt noticed the first signs that something was wrong.

"Aline was often tired and lethargic, and not interested in doing the things we normally do on our trips. When we came home I made an appointment with our family physician. An MRI showed she'd had a mini stroke." Three years and many doctors' visits later, Aline was diagnosed with Alzheimer's.

Walt's world changed drastically. He quit his lucrative consulting practice to care for Aline full time. Cooking, cleaning, medication management and driving to medical appointments became his new normal.

Alzheimer's wasn't the fairytale they had planned, but Walt was determined to focus on what they still could do together, and how he could make a difference.



"We started participating in memory cafés through the Fox Valley Memory Project – in fact we were part of the very first memory café. Aline continued playing bridge with her friends at first, and we took daily tours of our yard to look at the flowers and trees. We also dined out and took in shows at the Fox Cities Performing Arts Center."

Since then he's been raising awareness and funding for Alzheimer's care and research.

Walt formed a men's dementia support group in the Fox Cities, and launched a second group that meets at Touchmark

in Appleton, the care facility where Aline has been living these past four years. He was honored in 2017 by the Alzheimer's Association as the Wisconsin Family Caregiver of the Year. He also received a senatorial recognition from Senator Ron Johnson as Wisconsin's Outstanding Caregiver 2017.

Today Aline lives full time at Touchmark, where Walt continues his loving care for her. And in her name he now has a way to make a difference for others walking his path: The *Aline Zerrenner Dementia-Friendly Fund* within the Community Foundation for the Fox Valley Region is propelling Walt's dream of creating a dementia-friendly community in the Fox Valley.

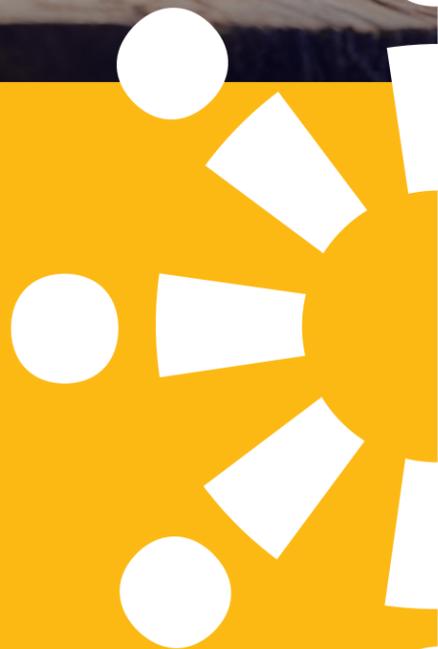
"The Community Foundation walked me through the process, discussing the different types of funds and the flexible options available to donors, and I liked the idea of a field of interest fund. My goal was to make it easy for nonprofits to obtain funding and not have to go through hoops for grants, and also to have anyone be able to contribute to the fund."

Walt says there are many larger research organizations focused on fundraising rather than on the people needing the dementia care. "I want to keep it local and make sure the people who need projects are getting the funding to help make the Fox Valley a great place to live for people with Alzheimer's and their families."



Investment Options

The Community Foundation takes our responsibility to steward the charitable funds with which we have been entrusted very seriously. Mindful of our commitment to help the community flourish, we prudently invest charitable funds so they may strengthen our region for current and future generations, carrying out the wishes of our generous individuals, organizations and funders to make a difference in the lives of others.



Endowed Funds

Endowed funds provide support in perpetuity for the charitable cause(s) selected by you. We seek to secure investment returns to support an annual granting distribution of up to 4.5% to your favored charitable causes, to cover modest administrative expenses, and preserve the purchasing power of the

fund. To accomplish this goal without generating undue risk, the Community Foundation diversifies its asset allocation strategy and relies on investment professionals to actively manage the endowment and dynamically position it to adjust for the current market environment.



Non-endowed (spend-down) Funds

Non-endowed (spend-down) funds generally provide support for selected charitable causes over a shorter timeframe and at a higher rate of distribution than endowed funds.

To accommodate the heightened need for short-term stability and liquidity, spend-down funds are invested in one of three pools depending on the anticipated timeframe for fund distribution.

- **Short-term portfolio:** providing modest earnings with stability and liquidity for shorter-term granting intentions.
- **Intermediate-term portfolio:** balancing liquidity with a reasonable level of expected appreciation over full market cycles.
- **Long-term portfolio:** mirroring the investment strategy for endowed funds as closely as possible with some asset classes that have a longer duration objective and liquidity.

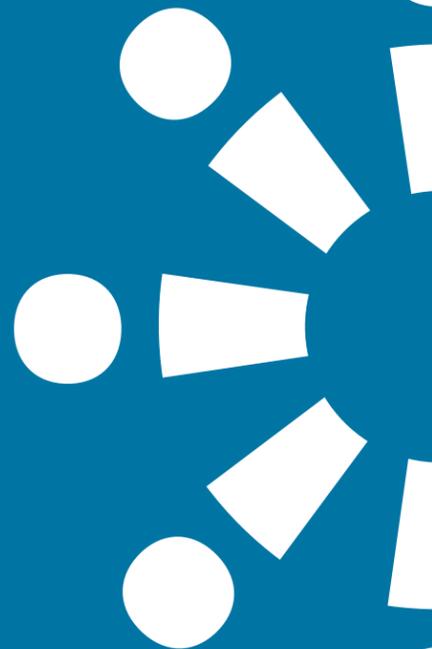


Investment Committee Oversight

The Community Foundation's local Investment Committee sets an investment strategy for its funds, hires professional managers and monitors investment performance against industry benchmarks. Committee members have extensive expertise in business, investment and financial matters.

Investment Advisors

The Community Foundation's investment strategy is managed by an Outsourced Chief Investment Officer (OCIO), Fund Evaluation Group (FEG) Investment Advisors. FEG works with our volunteer investment committee members to set strategies, make adjustments in market investments and plan for economic changes to ensure the Community Foundation investments are as strong as they can be.



How Long Will my Fund Last?

You decide the time frame for your giving. Many donors choose to create an endowment to support their favorite causes in perpetuity with a minimum gift of \$10,000 or more (\$15,000 for scholarship funds), or as a "future fund" with as little as \$1,000. Distribution from an endowed fund is determined pursuant to the Community Foundation's distribution policy, which is currently 4.5% of the value of fund assets, averaged over three calendar years. The balance remains invested for future years.

With a future fund, you can build a permanent endowment over time. A minimum contribution of \$1,000

establishes a future fund and through additional contributions and investment growth, the charitable fund builds to the \$10,000 level and becomes an endowment, which may then distribute grants to charitable causes and organizations.

If a permanent endowment does not suit your charitable goals, you may want to establish a non-endowed fund. Grants may be awarded from the fund in any amount, and at any time. If all fund assets are distributed, with no plans to add more contributions, the fund will be closed.

Who Can Receive Grants from the Community Foundation?

Generally, organizations eligible to receive grants from the Community Foundation are those determined by the IRS to be public charities. This encompasses most charitable, scientific, educational and religious organizations described in Section 501(c)(3) of the U.S. tax code, as well as government agencies. We encourage you to contact us if you have any question about an organization's charitable status and we'll help to find an answer.





What to Give

When you establish a charitable fund, your contribution is fully tax deductible to the extent allowable by law. Additionally, funds can be opened with most types of assets—cash, stock, property—and can also receive legacy and planned gifts.

Want to Leave a Legacy?

The Community Foundation staff is available to help you with charitable estate planning and creating a lasting legacy. Along with your professional advisor, we can explore strategies to reduce taxes and increase income, to meet your legacy goals. We can work with you to structure a charitable fund to last for a defined period of time or forever, or add to an existing fund. If you wish, we can also help your family to be involved with your fund during your lifetime and beyond. We're also happy to provide you with bequest language

to share with your advisor. Your gift can make an impact on the people and projects that matter to you long after you are no longer here. The Himebaugh Legacy Circle recognizes those who have made future plans for their favorite charitable causes through a bequest or similar deferred gift to the Community Foundation.

Your future gift can be any size and made through your will or trust, an insurance policy, retirement account or other estate planning tool.

Stories of Inspiration



Ron Altenburg,
Principal, CPA
Clifton Larson Allen (CLA)



Reasons for Giving

Why give to charity? In studies on the reasons people give, tax reduction regularly ranks low on the list while passion for the charity's cause, a desire to give back, and helping make a difference are often at the top.

Although the low ranking of tax benefits might come as somewhat of a disappointment for a tax guy, it's heartwarming to know genuine concern for others is of primary importance.

Some years ago, I was running out of time to make my own year-end charitable gifts. While supporting the charity's mission was my prime motivator to give, I must admit I felt compelled to do it in a tax-savvy way.

I reached out to the Community Foundation quite late in the year to set up a donor advised fund. The process was quick

and easy and allowed me to donate an appreciated security that garnered me both a tax deduction and avoidance of capital gain taxes. The donor advised fund also bought me time to make decisions about my grant requests.

Now with the recent federal tax law changes that raised the standard deduction, my donor advised fund makes it easy for me to bunch my charitable deductions into itemizing years while still annually supporting causes I care about through periodic grant-making.

By having a donor advised fund with the Community Foundation, I know I'm supporting a local organization that helps me and other donors share and support our community. And I can do it in a tax-savvy way!



Administrative and Investment Fees

Our administrative fees support the overall mission of the Community Foundation. This includes staff time involved in assisting grant requests, researching community needs and causes that are important to donors, managing charitable funds; the publication of an annual report; preparation of an annual independent audit; oversight of investment performance and other functions to ensure the Community Foundation's ability to carry out its broader purpose. These fees also cover the time and resources required to work with unrestricted funds to meet community needs. Board members serve without compensation.



A guide to the fee assessments based on the type of fund you create.

Fees vary based on the type of fund and asset levels.

Annual Fees – Endowment and Spend-Down Funds

Donor Advised Fund

Without a Competitive Granting Program

- 1.0% for first \$1 million
- 0.8% for next \$1 million
- 0.6% for next \$1 million
- 0.3% on balance over \$3 million

With a Competitive Granting Program

Assets up to \$2 million

- 1.25%
- Assets \$2 million +**
- 1.0% for first \$1 million
- 0.8% for next \$1 million
- 0.6% for next \$1 million
- 0.3% on balance over \$3 million

Field of Interest Fund

- 1.0% for low activity funds
- 1.25% for high activity funds

Scholarship Fund

- 1.0% for low activity funds
- 1.25% for moderate activity funds
- 2.0% for high activity funds

Investment Fees: Each fund is assessed its pro-rata share of investment management fees, which vary by investment portfolio.

0.50% is the floor for donor advised funds

Unrestricted Fund

1.25%

Designated Fund

0.6%

Agency Fund

- 0.6% for first \$500,000
- 0.45% for next \$1 million
- 0.3% for next \$1 million
- 0.15% on balance over \$5 million

Future Funds

No administrative fees are assessed until the fund balance reaches the minimum endowment level of \$10,000 (\$15,000 minimum for a scholarship endowment).

Administrative fees are calculated using the average daily fund balance from the prior month. Spend-down funds with an average balance less than \$10,000 for the previous fiscal year ending June 30 are assessed an additional \$100 in September. Spend-down funds with an average balance of \$10,000 or more are exempt from the additional yearly fee.



Comparing Charitable Options

When setting up a charitable giving vehicle for making a difference in the community and creating a legacy, there are several options with varying benefits. The chart on the following page compares some of the key features and benefits of commonly used options. The Community Foundation can also help create a structure to convert a private foundation into a simpler, more flexible and less costly alternative, while continuing its charitable mission.



FEATURES	DONOR ADVISED FUND	SUPPORTING ORGANIZATION	PRIVATE FOUNDATION
Start-Up Considerations	Simple Fund Agreement; can be set up immediately	Own tax ID number, each supporting organization covered under the Community Foundation for maximum benefits. Costs consists of legal fees	Incorporate as a nonprofit or create trust and apply to IRS for tax-exempt status. Costs consists of legal fees
Personalized Services	Expert staff assigned to support your philanthropic goals, help define strategy, engage extended family, assess the effectiveness of grantees and more	Expert staff to support your grantmaking and philanthropic goals, help define strategy, engage extended family, assess the effectiveness of grantees and more	Board must arrange and support all grantmaking
Investments*	Donor selects from Endowment or Non-Endowed pools to invest in; Community Foundation selects investment managers	Board controls investment strategy and may select managers. (minimums apply)	Donor appoints board or trustees who control investments
Grantmaking	Donor recommends grants to qualified nonprofit organizations.	Board controls grantmaking and Community Foundation performs all due-diligence and back office work	Donor appoints board who control grantmaking and must ensure grant recipients are qualified nonprofits
Tax Deduction Limits for Cash Gifts	60% of adjusted gross income	60% of adjusted gross income	30% of adjusted gross income
Tax Deductions Limits for Gifts of Stock or Real Property	30% of adjusted gross income	30% of adjusted gross income	20% of adjusted gross income
Distribution Requirements	None	None	5% of assets annually
Tax Status	Public charity as a fund under Community Foundation's public charity status	Public charity as a separate 501(c)(3) organization under Section 509(a)(3)	Private charity as a separate 501(c)(3) organization under Section 509(a)
Taxes & Administrative Requirements	None; fund is part of Community Foundation	IRS Form 990 filing and audit is done by Community Foundation	Must independently perform financial and administrative services or hire staff; annual tax return and reporting required. Excise tax of 1.39% of net investment earnings, other taxes may apply.
Generational Transfer	Donor may name successor advisor(s) to the fund	Can continue for future generations	Can continue for future generations
Privacy	Names of donors can be confidential and grants can be made anonymously	Officers, directors and trustees listed in IRS Form 990	Must file detailed public tax returns on grants, investment fees, staff, salaries, etc. Identity of major donors are also required

*Over \$2M, you can select your own investment manager.

Stories of *Inspiration*



Ben and Betsy Rozelle

'You Don't Have To Be A Millionaire'

Ben and Betsy Rozelle have a formula for how a middle-income family can build a charitable legacy. "You treat it like anything else you want to save for," Betsy said. "You don't have to come up with all of the cash at one time."

They started a charitable fund within the Community Foundation with the \$1,000 minimum required for a "future fund" and built it up through the years beyond the \$10,000 minimum required for an endowment that can make grants.

They became members of the Himebaugh Legacy Circle after making arrangements for a portion of their estate to go into the fund. Betsy knows the Community Foundation well as a former vice president donor services. Betsy is now the owner of Rozelle Communication, LLC and Ben is co-owner of Rozelle Construction. The Fox Crossing couple wants to know that their

church and other favorite charities will be supported beyond their lifetimes.

"The overriding reason is the trust," Betsy said in explaining why they've chosen to include the Foundation in their estate planning. "We know that whatever life holds, our small gift will multiply – given the investment practices of the Community Foundation."

"The Community Foundation," Betsy added, "is a rare place that offers a wealth of knowledge of and compassion for the community. The donor doesn't have to be a financial expert," she said.

That's part of the message Ben and Betsy wanted to communicate by becoming Legacy Circle members. "We want other people to realize that they don't have to be millionaires."



Together, we flourish.

You have the power to change the world, starting right here in the Fox Valley region. Your gift provides hope to not just the recipient, but to the entire community. We are here to help you make the change you envision a reality.

"Never doubt that a small group of thoughtful committed citizens can change the world: indeed, it's the only thing that ever has."

— Margaret Mead

**Join others who have already made
the commitment to make a difference.
Join the Community Foundation for the
Fox Valley Region to ensure our community
will always flourish.**

**We invite you to contact us to learn
how your generosity can impact others.**



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