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Foundation prompts local giving

Benefactors find flexibility in community foundation

By Kathy Ursprung
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As weather turns crisp and stores roll out red-and-green décor (even though it's not quite Halloween), many people look not only at their holiday shopping, but at their annual community giving plans, as well.

The Columbia Gorge Community Foundation has some ideas that might make that easier, not just this year, but every year, allowing even people of modest means to establish longterm endowments to benefit the community.

"It can take a minimum of \$25,000 in fees to set up a private foundation," said Chuck Toole, of The Dalles, a Columbia Gorge Community Foundation board member.

Under the umbrella of a community foundation, individuals, families and businesses can set up permanent endowment funds without the expense of setting up their own foundation.

"It's a popular mode for giving," said Lynn Everroad, executive director of the Columbia Gorge Community Foundation.

Lee and Karen Fairchild of Parkdale established their own fund with the foundation when they moved to the area.

"When we came here, we decided to become more invested in the community," said Karen Fairchild Tuesday morning. "We decided to transfer all our money over [from a previous fund] and each year we've tried to put more into the fund, as well."

The Fairchilds started with a fund for nursing scholarships at Columbia Gorge Community College.

"We're pretty strong believers in education and both understand the limitations of people who want to get a degree, but just don't have the funds, so we wanted to help out there," Fairchild said. "The nursing program was just getting started at the time."

The Fairchilds funded scholarships for four or five nursing students before the college developed other funding resources. Later, they created an endowment fund for the Columbia Gorge Children's Advocacy Center and left the remainder in for discretionary giving. Fairchild said it has made the process of giving within the community much easier.

"Our issue was always that we'd come at year end, and we'd want to get our taxes down as low as we can, but we didn't know which charity to give to," she said. "It takes a lot of time and there are a lot of things going on. This is a way to deal with the tax issues, but give ourselves time to research what charities are out there."

The process of instructing the foundation on where to distribute donations is easy, Fairchild said. They've also established instructions to the Columbia Gorge Community Foundation in the event of their death.

"It's pretty easy," Fairchild said. "If I have to change the direction of money in our funds while we're alive it's really easy. We make a request and it's done."

Providing general guidelines for legacies also allows the foundation to be flexible in shifting contributions after the donor is gone, as well, Fairchild said.

"I would say I've been impressed with the people on the foundation board," Fairchild said. "They've been very receptive to the changes we've done in the fund and how we've had our money managed."

The foundation oversees two primary types of funds.

In “designated” funds, funding benefits a specific cause or organization. Examples include funds to benefit the Friends of La Clinica del Carino, Friends of Wonder Works Children’s Museum and The Dalles Art Center. Cause-specific funds may go for a specific purpose, rather than a specific organization. Some examples include needy children, historic preservation, schools and animal causes.

“We are very happy that the Gorge Community Foundation was there to help us get an endowment started several years ago,” said Laura Faherty, Wonderworks’ fundraising chair. Wonderworks is a nonprofit children’s museum. “Once we complete this building project, we will begin focusing on building that endowment. It is great to have a local resource that can help out with long-term sustainability.”

“Donor advised” funds like the Fairchilds’ operate much like they sound: The financial donor decides what any grants or donations benefit from year to year. Columbia Gorge Community Foundation was established in 2000 and started making grants in 2003.

It emerged in part as a result of Everroad’s experience as foundation director for Providence Hood River Memorial Hospital. She began looking at what nonprofit organizations beyond the hospital really need.

“What they all needed was sustainability of funding,” Everroad said.

On the other side of the equation, she considered the givers, some of whom may give major gifts and in recognition may receive a plaque on the door and be quickly forgotten.

“That seemed unsatisfying to me, particularly to the people who are giving really important gifts,” Everroad said.

Community foundation funds can create a permanent legacy for a family or individual, she said.

It’s also a way to simplify giving, Toole noted.

“A lot of people give throughout the year and they may be surprised how much they give,” Toole said.

Instead, some people choose to funnel their charitable giving into one donor-advised endowment fund. They can make the donation by year end and get the tax deduction, then determine how to distribute the money to charitable organizations later in the year.

“You get the tax deduction up front when you donate, then the money grows tax-free and when you advise the community foundation to make the gift, it comes out tax-free,” Toole explained.

No minimum investment is required to establish a fund, Everroad noted, but the community foundation asks for a minimum \$5,000 commitment over the course of five years.

Having a donor-advised fund also comes in hand at holiday and birthday time, Everroad noted.

“A lot of people are trying to get away from the commercialism of the holidays,” she said. “They’re asking family members rather than give them materials gifts to donate to their fund.”

Before Carol Rodrick of Mosier learned about the Columbia Gorge Community Foundation, she didn’t think such opportunities existed for people of modest means.

“I didn’t feel like I had the kind of money to have a legacy of giving,” Rodrick said.

But Rodrick established her own donor-advised fund through the foundation and eventually became a board member. Rodrick points to the example of John Miller, a longtime resident of The Dalles, another person of relatively modest means, who left behind a fund in his name to benefit the Celilo Cancer Center.

“Every one of the funds has a different story,” Rodrick said, “and they couldn’t be any more grass roots. Some are started without a nickel.”

The Columbia Gorge Community Foundation now has more than \$1.5 million in total assets in 49 different funds. While the funds are separate for donation purposes, they are pooled and

invested through USB Financial Services.

The foundation operates on a shoestring, Everroad noted.

“Its total operating budget is right around \$15,000, so donors don’t have to worry about paying big salaries,” she said.