

Discover Two Approaches to Giving

Items to consider when establishing a nonprofit organization



Many individuals and groups are surprised to learn that they don't need to establish a standalone 501 (c) (3) corporation to support their charitable interest. By working through the Community Foundation they enjoy all the benefits of being a nonprofit corporation—without the expense and hassle of satisfying IRS and state regulatory requirements. In addition, they reap important benefits, which includes a dedicated online giving portal for the fund as well as ongoing marketing exposure.

Community foundations provide a simple, powerful, and highly personal approach to giving.

We offer a variety of giving tools to help people achieve their charitable goals. You can give cash, appreciated stocks, real estate, or other assets. Most charitable gifts qualify for maximum tax advantage under federal law. For more information and ideas on ways to integrate your financial planning with charitable giving, ask your financial advisor or contact the Community Foundation of North Central Massachusetts.

	Establishing a Community Foundation Fund	Establishing a Standalone Nonprofit Organization
Donor Involvement	Donor recommends grants to qualified nonprofit groups. Grants are approved by community foundation board of directors.	Donor appoints board, which controls investments and grantmaking.
Tax Status	Public charity.	Public charity.
Income Tax Deductions for Gifts of:		
<i>Cash</i>	Up to 50% of adjusted gross income.	Up to 50% of adjusted gross income.
<i>Appreciated stock</i>	Fair market value up to 30% of adjusted gross income.	Fair market value up to 30% of adjusted gross income.
<i>Real estate and closely held stock</i>	Fair market value up to 30% of adjusted gross income.	Fair market value up to 30% of adjusted gross income.
Grantmaking Support	Professional staff is available to help identify and assess grantees, provide input on community needs, and verify nonprofit status.	Donor must arrange and support their own grantmaking and monitoring structure.
Start-up Costs		
<i>Initial costs</i>	None.	Several thousand dollars for legal and accounting expenses and filing fees.
<i>Minimum contribution</i>	\$10,000 payable over four-years.	Typically several million to justify the fees.
Administrative Requirements		
<i>Ongoing costs</i>	Pooled administration; annual fee	Several thousand dollars for legal and accounting expenses and filing fees.
<i>Reporting</i>	Community Foundation handles reporting.	Annual 990 tax form must be filed.



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There's so much more we'd like you to know about how your Community Foundation can help you achieve your charitable goals. We welcome the opportunity to work with you. Contact Linda Mack, Vice President for Development and Donor Services, 978.345.8383, ext., 321 or lmack@cfncm.org.