

**Foundation Planning Task Force Agenda**  
**Tuesday, September 26**  
**6:00 pm – 7:30 pm**  
**Lakewood City Hall-Auditorium**

Agenda Item	Lead	Discussion	Outcomes/Action Items
Welcome 6:00-6:05	Chair		
Approval of Minutes 8-23-17 6:05-6:10	Chair		
Presentation on conversion foundation process 6:10-6:40	Mitch Balk, President Mt. Sinai Foundation		
Q & A 6:40-6:50	Task Force		
Structure Subcommittee Update 6:50-7:05	Katie Collin		

<p>Communications Subcommittee Update 7:05-7:15</p>	<p>Michael Bentley</p>		
<p>Community Engagement Subcommittee Update 7:15-7:20</p>	<p>Martha Halko</p>		
<p>Resilience movie 7:20</p>	<p>Jeanine Gergel</p>		
<p>Public Comment 7:25</p>			
<p>Review action items, plan next agenda Adjourn 7:30</p>			

Comparison of Fund Options	Public Charity	Private Foundation	Donor Advised Fund (DAF)	Supporting Organization
<b>Legal Identity</b>	Separate non-profit entity	Separate non-profit entity	Fund of a community foundation or financial institution's charitable arm	Separate non-profit entity affiliated with a community foundation or financial institution's charitable arm
<b>Tax Status</b>	Public Charity	Private Foundation	Public Charity	Public Charity
<b>Taxation of Investment Income</b>	None, but must receive less than 1/3 of total support from investment income and unrelated business income	2% annually	None	None
<b>Payout Requirements</b>	No minimum distribution requirements	Grants distributed must equal a minimum 5% of total amount of assets within private foundation annually	None	None
<b>Deductibility of Gifts for Donors</b>	30% AGI for appreciated property; 50% AGI for cash	20% adjusted gross income ("AGI") for appreciated property; 30% AGI for cash	30% AGI for appreciated property; 50% AGI for cash	30% AGI for appreciated property; 50% AGI for cash
<b>Administration</b>	Detailed annual filing of 990 with IRS; 1/3 of support must be qualifying support from broad-based public support (i.e. fundraising efforts, grants, etc.)	Detailed annual filing of 990PP with IRS	All record keeping and accounting provided by community foundation or charitable institution	All record keeping and accounting provided by community foundation or charitable institution
<b>Control</b>	Trustees have complete control of distributions and responsibility for asset management	Trustees have complete control of distributions and responsibility for asset management	Donor-Advisor(s) may make grant recommendations	Board structure would be driven by non-profit entity 'sponsoring' supporting organization
<b>Costs</b>	Legal, accounting and insurance fees; office space, staff and miscellaneous administrative expenses	Legal, accounting and insurance fees; office space, staff and miscellaneous administrative expenses	May not be a cost to establish, but will likely have annual fees for administration and investment	May not be a cost to establish, but will likely have annual fees for administration and investment
<b>Grantmaking Expertise</b>	Professional staff would be needed	Professional staff would be needed	Community foundation/charitable institution may provide staff assistance to review and monitor proposals	Community foundation/charitable institution may provide staff assistance to review and monitor proposals
<b>Pros</b>	Customizable community control through board of directors (truest community ownership); Ability to receive donations; Customizable investment strategies; If public charity status approved by IRS, first 5 years in existence used to establish donor base	Customizable community control through board of directors; Customizable investment strategies	Customization possible, including investment strategy to an extent; Perhaps this makes sense for \$ coming from Cleveland Clinic in order to keep separate since they have first right of refusal; Grantmaking expertise and assistance; All back-office support handled by community foundation or charitable institution	Customization possible, including investment strategy to an extent; Enhanced services available; Grantmaking expertise and assistance; All back-office support handled by community foundation or charitable institution
<b>Cons</b>	Costs for staff, compliance, grant-making and all administrative functions; Costs for bringing in expertise; Lack of back-office organization; 1/3 of support must be from broad base of support within 5 years of establishment	Costs for staff, compliance, grant-making and all administrative functions; Costs for bringing in expertise; Lack of back-office expertise; Lower deductibility for gifts with this option should taskforce decide foundation will accept gifts	Distributions can only be made to 501c3 organizations, which may limit ability to fund projects that are not registered as such	Time to establish could be over 1 year for IRS approval; Board appointments would need input of community foundation or charitable institution