

## Inside this issue

Setting up your own charitable fund - seasonal giving in a strategic and tax effective way  
P.2 and 6

Giving and gaining through family philanthropy

P.4

Progressive grant making

P.5

Our donor impacts - from community gardens to mental health reform

P.7

# Philanthropy Matters

DECEMBER 2013


## Seasonal Giving in a Strategic Way

 The Community Foundation for Ireland

*connecting people who care with causes that matter*



Contents

Message from our Chairperson and Chief Executive	Page 2,3
Giving and gaining through family philanthropy	4
News	5
Donor advised fund 	6
Our donor impacts	7



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Message from Our Chair and Chief Executive

Setting up your own charitable fund - seasonal Giving in a strategic and tax effective way

As Christmas approaches, many people decide to donate to charity. In the light of changes to the taxation of charitable donations, now may be a good time to think about setting up your own charitable fund at The Community Foundation for Ireland. Donor Advised Funds are an easily accessible and convenient vehicle for individual, family or business charitable giving which facilitate a more planned and strategic approach to philanthropic giving.

So what are the benefits of setting up a Donor Advised Fund for you as a donor?

- You decide how the monies are to be disbursed while The Community Foundation for Ireland handles all legal, administrative and governance associated with the fund;
- You save time and money - there are no set up costs and a Donor Advised Fund can be set up within days and remains anonymous if privacy is a priority;
- If you set up the fund before the end of 2013, eligible tax relief will accrue directly to your fund in 2014, grossed up at 31%.

For example, in the case of a €25,000 donation to a donor advised fund, this would result in a balance of €36, 325 in that fund to disperse to charitable causes (once the tax relief is received from the Revenue Commissioners; for PAYE donors this is likely to be in February 2014 and for self assessed donors, it is likely to be in November 2014). However, the donor does not have to decide what charitable cause to support immediately but can take their time in deciding the best use for that donation (and subsequent tax relief).

In effect, The Community Foundation for Ireland is a one stop shop for philanthropy helping donors to optimise their charitable giving and to support worthwhile causes and initiatives in an

impactful way. For additional information on how to go about setting up a donor advised fund, please see page 6 of this newsletter.

Donor Advised Funds were one of the topics discussed at a recent Family Philanthropy Seminar, hosted by The Community Foundation for Ireland. Held in Dublin on October 23rd, the Seminar was an inspiring session and included presentations by Stephen Hammersley, CBE, CEO of UK Community Foundations and a number of families who are engaged in philanthropy in a strategic and structured way. For more information about the event and our new guide to Family and Personal Giving - *Giving and Gaining through Philanthropy*, see page 4.

The first National Giving Week took place in mid November. The Week formed part of The One Per Cent Difference National Giving Campaign which aims to increase philanthropic giving by 60% by 2016. This will be a challenging target to achieve in the light of the closure of two of the biggest philanthropic funders in Ireland, The One Foundation (in 2013) and The Atlantic Philanthropies (in 2016). Through its work with hundreds of charitable causes and community groups, The Foundation is witnessing the scale of the funding gap which will remain in the light of the closure of these funders, presenting a compelling case for more structured and strategic philanthropic funding in the future. Thanks to the generosity of its donors, for its part The Foundation will for the first time exceed €3m in grants in 2013.

Before the year end, why not consider becoming a donor at The Community Foundation for Ireland

By joining a growing group of donors who entrust their charitable giving to the Foundation, you can be sure that your charitable funds are managed by experts in their field. The Foundation has strong governance, an easy to manage process, facilitates tax efficient donations and has a strong track record in impactful grant making. The Community Foundation for Ireland is also a sustainable organisation in its own right with a proven track record since its inception in 2000

and a growing long term endowed fund which currently exceeds €33m. Our annual report and accounts can be downloaded at [www.foundation.ie](http://www.foundation.ie)

If you would like to know more about The Community Foundation for Ireland, we would be delighted to speak in confidence with you.



Louis FitzGerald,  
Chairperson



Tina Roche,  
Chief Executive

[www.communityfoundation.ie](http://www.communityfoundation.ie)

Our Leadership

The Board of Directors is comprised of volunteers representing the diversity and broad interests of our community. They provide the leadership to conduct the business affairs of the Foundation. They are all community leaders chosen for their experience and knowledge of Ireland’s needs as a society.

**Chairperson:** Louis FitzGerald

**Directors:**

- Barry Connolly
- Mike Gaffney
- Brian Geoghegan
- Richard George
- Sister Marian Harte
- Eamonn Heffernan
- Dr Brian Keogh
- Anna Lee
- Máire.O’Connor
- John Rockett

**Patron:**

His Excellency, Michael D. Higgins,  
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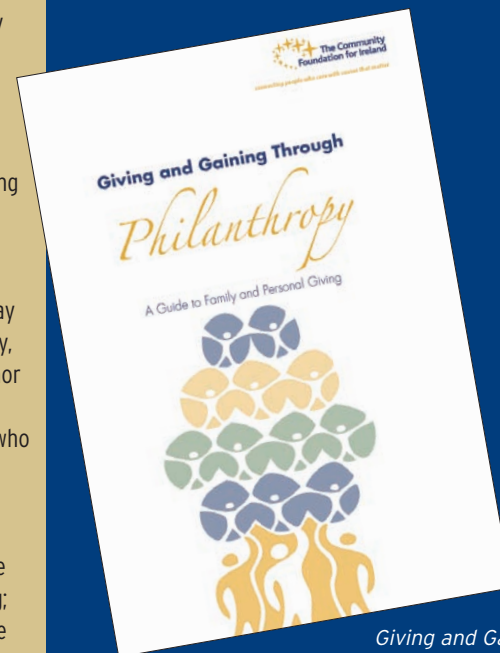
## A Guide to Personal and Family Giving

The Community Foundation for Ireland is witnessing a growing interest in the concept of approaching charitable giving in a more strategic way. Individuals and families are keen to know if their charitable donations are making a difference; they are interested in getting advice as to how to best invest the money they have available; they want to be facilitated to give effectively, with a minimum of bureaucracy but to the highest standards of governance. They are also considering how they might engage other family members in their giving process. Most of all, people who have done well often want to give something back and want deep seated challenges facing Irish society addressed in such a way that their support makes a difference.

One of the most significant trends in the world of philanthropy today is the growth in the number of families participating in philanthropy, as demonstrated by the huge growth in family foundations and donor advised funds. The Community Foundation for Ireland recently launched a new guidance report to assist families and individuals, who are already involved in philanthropy or are interested in getting started, in a practical way.

The report includes information on trends in philanthropy; guidance as to how to get started; as well as in relation to longer term giving; and, the links between family businesses and philanthropy. It can be downloaded from our website or we would be happy to send you a hard copy in the post (please contact Jackie Harrison, [jharrison@foundation.ie](mailto:jharrison@foundation.ie) or 01 8743818).

“To give away money is an easy matter and in any man’s power. But to decide to whom to give it, and how large, and when, and for what purpose and how, is neither in every man’s power nor an easy matter.”  
Aristotle (384-322 B.C.)



*Giving and Gaining through Philanthropy - A Guide to Personal and Family Giving*

## Giving and Gaining through Philanthropy Seminar

The Community Foundation for Ireland recently hosted a Family Philanthropy Seminar, which was held in Dublin on October 23rd. In addressing how community foundations are working with families in the UK, Stephen Hammersley, CBE, Chief Executive of UK Community Foundations spoke of three ways in which community foundations can work effectively with families:

Firstly, they play an instrumental role in helping a family to start out on a philanthropic path and in learning how to engage in philanthropy in an effective and enjoyable way. Secondly, community foundations work to take away the hassle from giving by handling the administrative and financial management, as well as governance



responsibility for the donations. Thirdly, community foundations can work with families to ensure that philanthropy is kept invigorated and lively. This can be of particular benefit for longer established trusts and foundations which may decide to collaborate with a community foundation or indeed to incorporate the

The Community Foundation for Ireland, Chief Executive Tina Roche and Olivia O'Leary at the recent Family Philanthropy Seminar in The Shelbourne Hotel, Dublin

trust or foundation into the community foundation, thereby handing over the day to day management of the fund.

## Progressive Grantmaking

By mid-November 2013, The Community Foundation for Ireland had made over 650 grants of over €2.3m and it is anticipated that the Foundation's grantmaking will exceed €3m for the first time in a single calendar year by the year end. A growing category of grants is the Foundation's Impact Grants. Through our grant-making, The Community Foundation often sees recurring issues or themes which may benefit from more strategic or longer term funding than our general grantmaking offers. Where opportunities for Impact Grants are identified, The Community Foundation engages in dialogue with relevant stakeholders to see how an Impact Grant may benefit a particular cause or issue. To date in 2013, The Community Foundation has funded a wide range of Impact Grants and a number of these are profiled below.

**Yellow Flag Programme** received a €30,000 multi-annual Impact Grant was awarded to assist the organisation with their '1,000 Day Plan' to develop the organisation's sustainability.

**New Communities Partnership** received a €35,000 Impact Grant to progress their Migrant Family Support Service, which focuses on developing culturally sensitive support and advocacy services to migrant families in distress.

**Start Strong** received €10,000, its second multi-annual payment assisting the organisation promote the progressive development of high quality, comprehensive Early Childhood Care and Education (ECCE) in Ireland.



## Excellence through People

The Community Foundation for Ireland achieves an Excellence through People Award for the fourth time running in 2013, achieving National Standards Authority Ireland's (NSAI's) world class standard. From left to right: Mr John Perry T.D.; Tina Roche, Chief Executive; Emma Bradley - VIP (HR) Executive; Maurice Buckley, Chief Executive of NSAI

## Opportunities for Philanthropy Workshops

The Community Foundation is planning a new *Opportunities for Philanthropy* series of workshops for donors which will start in 2014. The first *Opportunities for Philanthropy* workshop will focus on early childhood education and will include information on where philanthropic funding is needed and can be most impactful, as well as insights from donors who are already funding in the area. It will also highlight opportunities for collaborative funding; where donors could decide to pool their resources in order to optimize their contribution. Future workshops are likely to focus on supporting older people, arts and women's issues. If you would like to be kept informed of the *Opportunities for Philanthropy* workshops, please contact Jackie Harrison ([jharrison@foundation.ie](mailto:jharrison@foundation.ie) or 01 8743818).



Schools and organisations whose award winning programmes address the needs of children and young people across Tipperary County were recently awarded €445k through the Tony Ryan Fund for Tipperary, administered by The Community Foundation for Ireland. Hurling legend Nicky English presents the Clonmel Community Parent Support Project Ltd. with €25,000 at The Tony Ryan Fund for Tipperary Award Ceremony, Hayes Hotel, Thurles. From Left to Right: Marian Quigley, Jill Sandvoss, Nicky English and Deirdre Delamere



# How to set up a Donor Advised Fund

If Ireland mirrors current trends in demographics and philanthropy, notably in the UK and the US, we are likely to see a sea change in charitable giving resulting in sustained, higher levels of giving by a greater number of individuals and families in the coming years. A Donor Advised Fund is a charitable giving vehicle administered by a third party (such as The Community Foundation for Ireland) and created for the purpose of managing charitable donations on behalf of an organisation, family, or individual. Donor Advised Funds are the fastest growing charitable giving vehicle in the USA with over 175,000 such accounts, up 34% since 2009. There has also been a significant growth in Donor Advised Funds in the UK. Although Donor Advised Funds have come on stream in Ireland over the past decade, they are still relatively unknown as a giving vehicle.

The Community Foundation for Ireland is a one stop shop for donors engaged in strategic and purposeful philanthropy. We ensure that our

donors' charitable donations support the causes which they care most about and achieve real impact in communities throughout Ireland. A Donor Advised Fund is an ideal vehicle for charitable donations in excess of €25,000. The advantages to this approach include:

- Saving time and money (there are no set up costs) by handing over the legal and administrative responsibilities to an established organisation;
- Accessing the expertise of an existing philanthropic organisation;
- Availing of the philanthropic organisation's charitable status so that you can give tax efficiently and with immediate effect. See text box for further information;
- Protecting your privacy and anonymity;
- Accessing feedback, including outcome reports and project assessments;
- Gaining experience of planned giving, should you decide to set up your own foundation at a later date.

## Tax advantages of a Donor Advised Fund

Since 1 January 2013 revised arrangements in relation to the tax relief on donations to charity have come into effect. Specifically, tax relief in respect of donations made on or after 1 January 2013 by individuals (whether self-assessed or PAYE-only taxpayers) to an approved body is allowed to the approved body rather than to the donor at a blended rate of 31%. In the case of a donor advised fund at The Community Foundation for Ireland, **the tax relief will accrue directly to the fund.**

### Example

You donate €25,000 to a Donor Advised Fund → assuming that your donation is eligible for tax relief, the donation will be grossed up at 31% = a revised balance of €36,325 in that fund to disperse to charitable causes. Eligible tax relief will be claimed by The Community Foundation for Ireland (as an approved body) and will be received around February 2014 in the case of a PAYE tax payer and around November 2014 in the case of a self assessed donor.

# Donor Voice

How did you first become involved in philanthropy?  
**"I first became interested in philanthropy when I realised that giving was not giving back to me. Giving money, as we do by standing order or something like that, wasn't enough and was a little meaningless. So I decided to get more structured and more involved."**

Why did you decide to set up a Family Fund at The Community Foundation for Ireland?  
**"As our children grew up, naturally they were aware of our philanthropy but we wanted them to have their own involvement, separate from ours so that they can make their own minds up and become more sensitive to the outside world. So we decided to set up a Family Fund and our children have complete control over it. The Community Foundation is a wonderful tool in particular for the Family Fund. It is like giving them another set of parents; a structure that they can work with and grow in. It is a one stop shop for everything to do with charity. For someone who doesn't know where to turn - who to give to or how, it is absolutely perfect."**

What advice would you give someone who was thinking of getting involved in philanthropy?  
**"If someone was thinking of getting involved in philanthropy, my advice to them would be to get involved, to grab the opportunities that come to them and to follow their hearts."**

Donor, with a Family Fund at The Community Foundation for Ireland

# Supporting Community Gardens

A conference was held in Smock Alley Theatre in October 2013 to review the impact and learnings from the Community Growers Fund, which was a collaborative partnership between The Mount Street Trust, The Community Foundation for Ireland and GIY Ireland. Alice Fowler, formerly of Gardener's World gave a fascinating account of the emergence of the modern community garden movement. She highlighted that the birthplace of community gardens as we know them was the Lower East Side of New York in the 1970's, although so called "pleasure gardens" had emerged in Philadelphia and Boston in the late nineteenth century. Although there is usually a strong focus on the production of food, community gardens ultimately exist to meet needs in that community which may

not be exclusively in generating food. Community gardens are a relatively recent phenomenon of the past 10-15 years in Ireland. GIY Ireland described how The Community Growers Fund provided both generous funding and a strong commitment to the project, including engaging with long term disadvantaged and unemployed people, initially in Dublin and subsequently in adjoining counties. Through the scheme, over €280k has been invested in 80 gardens. A final round of funding will be awarded in the first quarter of 2014 and a full evaluation report will be prepared. This is an area with great opportunities for donors who may have an interest in supporting community gardens and allotments. If you would like to find out more, please contact Helen Beatty at The Community Foundation for Ireland.



St Michaels House sent us this picture of what they have been up to in their garden, supported by the Community Growers Fund

# Making a Difference: Mental Health Reform and the Power of Collaborative Giving

The Foundation has always worked to promote and facilitate effective and strategic philanthropy amongst our donors. Collaborative giving, where individual donors come together and fund as part of a wider circle of donors, is an area where donors can particularly maximise impact across grantmaking priorities and shared values. The need to strategically support the area of mental health had been evidenced through The Foundation's own grantmaking and through 'VitalSigns', our research report examining the quality of life in Ireland. In recent months, a number of donors to The Community Foundation have committed fixed amounts over a multi-year period in support of *Mental Health Reform*, a national coalition of organisations working to promote improved mental health services in Ireland, to implement their three year plan to work towards an Ireland where people experiencing mental health difficulties can recover their well-being and live a full life in their community. The combined fund has allowed *Mental Health Reform* the space to focus on its work and importantly on making a difference in the area of mental health in Ireland and is a good example of how donors can contribute towards systemic change, through aligning with other like minded people.

## How does a Donor Advised or Family Fund work?

Community foundations are pioneers of Donor Advised Funds which provide many of the same benefits to a donor as a private family charitable foundation (including all tax reliefs) but donors are also able to access The Community Foundation's grant making expertise, due diligence, monitoring and reporting processes. So how does it work?

## You

- Make a gift to The Community Foundation for Ireland (in cash or shares) and choose whether to set up a flow through (current) fund or a permanent endowed (long term) fund, or a mix of both;
- Work with our professional programme staff to choose the causes and organisations you care most about, approve final grants and clearly see the benefits and impacts of your support;
- Have the flexibility to increase or reduce your level of grantmaking periodically based on factors such as time and or financial demands - making it more personalised;

## We

- Set up a Donor Advised Fund in a chosen name or anonymously, our management fees are agreed up front and there are no hidden charges;
- Manage all the administrative details; vetting applications and issuing grants to charities and community and voluntary groups on your behalf;
- Can provide you with agreed feedback and outcome reports so that you can learn from the grantmaking process and be kept informed of relevant developments in the field of interest to help inform your philanthropy in the future.

# Giving that lasts not just for a season but all year!

The Community Foundation for Ireland helps people who want to give back locally, nationally or internationally. Our staff can help you develop thoughtful, purposeful giving that is both impactful and satisfying.

The following are some seasonal giving tips:

Start by clarifying what motivates you and what you are trying to achieve. If you need some help in thinking this through the Foundation's guide to personal and family philanthropy *Giving and Gaining through Philanthropy* may assist.

Consider setting up your own fund at The Community Foundation for Ireland. Investing in your community through a Donor Advised Fund is giving that lasts not just for a season but all year!

Join with others in supporting an area which you feel passionate about – the arts, environment, your county.....

Set up a memorial fund to make grants in the name of a loved one.

Remember Ireland in your will. After looking after those nearest and dearest to you, you could think of naming The Community Foundation for Ireland as a beneficiary.

To find out more about any aspect of philanthropy, contact our team of experts



*connecting people who care with causes that matter*

[www.communityfoundation.ie](http://www.communityfoundation.ie)